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**The Social Construction of the Meanings of Price**

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# The Social Construction of the Meanings of Price

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A thesis submitted for the degree of Doctor of Philosophy

University of Bath

School of Management

May 2012

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## **Abstract**

The activity of translating something into a monetary amount – the price - is central to markets. Yet we know remarkably little about the practice of pricing beyond theories of economic rationale or market positioning and, as a construct, price has remained largely within the economists’ domain. This research pushes for and contributes towards the need for more substantive studies of pricing. With particular emphasis on money-meanings, this research applies prior socio-economic research in an examination of discourses of the pricing process in order to better understand pricing as a social and meaning-full activity. In its focus on pricers this research contributes to the call for more studies of supply-side meaning-making within markets, and addresses the consumer-focussed imbalance in previously published price research.

This research works within the recent surge in ethnographic and language-centred marketing research which has hitherto been focussed on social and cultural elements of *consumer* practices and market meaning-making, and turns this lens to focus on *pricing* practices and discourses in order to examine pricing as an embedded practice, and to examine the widespread assumption that money is treated by pricers as neutral or meaning-less.

It builds on previously published money-categorisation literature and the currently small body of ethnographic and discursive work which construes pricers as socially embedded. Synthesising insights from these two strands this study examines ethnographic data collected over three years’ deep immersion in a pricing context – the local art world. This short-chain pricing context involves pricers with a range of socio-demographics and objects, and who have no overarching organisational pricing rules. The research considers whether, how and why interpretations of money, object and commensurative rules are shared, given credence or rejected.

This research finds that pricers within this study treat money as a meaning-full, rather than neutral, entity, and that this theoretical lens is a useful way of understanding apparently 'irrational' pricing practices. Importantly, categorisations of money by source (the object being priced and the buyer), form, holder and earmarking were used within pricing discourses to signal and maintain social relations and social position, as were rituals of category change.

The research shows that money's social meanings affect pricing discourses and choices. Importantly, pricing is shaped by varied understandings of 'how it is done with an object like this and money like that', and discourses of price are used in social positioning.

## **CHAPTER 1. INTRODUCTION: The problem of price and pricing**

Despite the speed with which the layman defines price as “supply and demand, isn’t it?” or “what the market will take”, or “enough to cover costs and make a profit on top”, when asked to discuss how they arrive at a price pricers frequently have a rather different, and slower, response: “It’s difficult, isn’t it?”. This research examines the very different ways a group of pricers within a particular field approach, talk about and perform pricing. It is an attempt to say something about price that has not been said before, or said in the same way. In observing and analysing price discourses<sup>1</sup> through the theoretical lens of money-meanings, I hope to reveal things about pricing which are interesting, and potentially both important and useful.

It is an overriding assumption of our time that price is ultimately the outcome of supply and demand, an abstract economic model, and that those doing the pricing are economically driven, economically rational, and evolutionarily advanced beyond the irrational consumer (Poundstone 2010, p.73). Criticism of the increase in commoditisation and commercialisation of our world has been underpinned by the assumption that producers are driven by economic motives at the expense of social considerations. Pricing, a central element of market activities, is seen as something which undermines or is threatened by social ties and relationships.

Within Marketing, where price is elevated to one of the four key elements in the marketing mix, we discuss then put aside economic price models, agree that pricing

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<sup>1</sup> By ‘discourse’ I mean the spoken word (and its variation in tone, pitch, speed and accompanying body-language), and also other forms of communication used by the research participants, such as associated artefacts (e.g. pricing labels, lighting, and choice of venue) and behaviours (e.g. attendance at certain lectures, classes and exhibitions).

is difficult (Mercer 1996), but do little pricing research. What research there is focusses on consumers' interpretations of price and value; for example there is a large stream of work flowing from Zeithaml's (1988) influential paper which examines consumer constructions of price, and the 'indistinct and elusive' constructs of value and quality. This thesis is not an attempt to resolve the problematic relationship between value and price, which Zeithaml and others (including Holbrook and Simmel) have struggled with. Instead, it focusses on the money elements of pricers' discourses of price.

There is a paucity of research looking at how the pricers understand price, and how they apply that knowledge. Whilst it has been recognised that commensuration 'has a long history as an instrument of social thought', and it has been suggested that commensuration may be considered to be a social process and a mode of power (Espeland and Stevens 1998), pricing has remained largely within the economists' rather than sociologists' domain, and is a very under-researched area.

The question is whether or not pricers approach pricing in a way which conforms to economic and marketing models. The standard answer would be yes, but an examination of previously published research such as Morton and Podolny's paper 'Love or Money?' gives insights which contest that assumption.

Morton and Podolny's (2002) study of the pricing practices of Californian wine producers points out that the hobbyist producers within the research context have a pricing practice that is different from and less economically rational than the commercial pricing in that context. They suggest that the hobbyist pricers may be getting 'utility' from the production of wine in addition to the economic benefit from the sale of the wine. They only briefly suggest what that utility is, and do not examine how it is constructed as utility, or why it affects pricing practice, but their research provides a useful example of shared 'irrational' pricing practices. The question then is how and why are particular pricing approaches shared?

Sometimes the sources of a particular pricing approach appear quite clear; for example MacKenzie's (2006) study of the Chicago Stock Exchange shows the influence of specific people, their championing of specific academic papers, and the importance of social networks in determining market interpretations and pricing practice. It is possible that in other contexts the complexity of communication may make sources of explicit 'know that' and tacit 'how to' knowledge (Schau, Muniz Jr et al. 2009) harder to discern. However the foundational idea that pricers are socially embedded<sup>2</sup> is key, as is the corollary suggestion that what are considered to be 'appropriate' pricing approaches and interpretations are learnt, and socially constructed.

What neither Morton and Podolny (2002) nor MacKenzie (2006) consider is the central element of pricing: money. As long as we think of money as always the same – a dollar is a dollar is a dollar (Zelizer 1994) – then it can be ignored, and largely has been. However, it has been shown that dollars are *not* all the same for consumers, and that the categorisation is important in determining both how money is used (Thaler 1985; Zelizer 1994; Thaler 1999) and in the social positioning of the holder and receiver (Zelizer 1994; 1998; Venkatesh 2006; Zelizer 2008; 2008). Earlier anthropological work on primitive cultures has shown that the unit of currency matters in particular pricing contexts (Douglas 1982), in that some goods can only be priced in a particular currency. Although in that primitive-context research the currencies were physically different (raffia vs. coins), the modern

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<sup>2</sup> Note, whereas 'old school' socio-economic research construed economics as something which happens within a shell of society, New Socio-economics attempts to 'identify social processes and social relations at the very heart of economic activity' and offer a 'truly alternative, socially based description and explanation of economic activity.' Zelizer, V. A. (2007). "Pasts and Futures of Economic Sociology." American Behavioral Scientist 50(8): 1056-1069.. It is this new socio-economic interpretation of the term 'embedded' which I use throughout this document.

practice of separation of ostensibly identical monies into non-fungible accounts through mental or ‘tin-can’ accounting explored by Thaler and Zelizer suggests that the primitive practices may have resonance in contemporary pricing contexts. It is therefore important to consider the possibility that modern pricing practices may be linked to particular categories of money – that is, that pricers may see money differently depending on source, form, and earmarking, and variation in the meaning of different monies might affect pricing

This study focusses on the money aspect of pricing. In order to contain the research, it is not a study of the very complex concept of value, nor of its relationship to price, although the findings may be of interest to those intrigued by value. This research proposes that pricers’ categorisations of money may vary, echoing the variations found in studies of consumers’ money meanings and categorisations. Display of categorisations and associated behaviours could be used by pricers as social symbols in much the same way as ‘correctly’ categorising and handling tips, birthday money, or savings are used in social positioning. In the case of pricing, what may be at stake is being able to ‘correctly’ categorise, talk about and handle money earned through pricing and selling one’s product. Building on prior money, pricing, and consumption-practice research, I ask the questions: Do money categorisations affect pricing practice? How and why do pricers make distinctions between monies? What insights are gained by using this approach to examining pricing practice?

In the Literature Review (Chapter 2) I examine in more depth the literature mentioned above and other theories of price, pricing, and money, in order to investigate what insights gained so far may be used to answer those questions, and to determine what still remains unanswered.

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## **CHAPTER 2. LITERATURE REVIEW: Price and pricing**

### **Introduction**

Although price is a very important element of marketing and a necessary part of most market exchanges, little attention has been paid hitherto to the analysis of contemporary pricing *practice*. Given the paucity of research regarding pricing, I begin this literature review with a brief review of approaches to price:

Section 2.1 begins with the dominant model of price: the abstract economic theory of the supply and demand (S&D) mechanism. I then move on to the ‘how to price’ literature aimed at practitioners. This includes a brief overview of approaches to pricing within Finance then within Marketing, where the focus of prior research is on consumer understandings of price. Importantly, within this literature money is treated as neutral.

In section 2.2 I propose an alternative way of considering price, in which pricing is construed as involving an active commensurative process of comparing object (and its meaning) with money (and its meaning), and an interpretation of the ‘rules’ surrounding that particular comparison and translation.

Within this alternative view pricing is construed as a culturally and socially embedded practice. I discuss two literature streams which examine economic practices as ‘lived’ human practices: behavioural economics, and socio-economics, and in section 2.3 focus on the small but very useful body of money-practice research within these two literature streams. Here the main thrust is that money is not always treated as neutral and fungible, and that money-practices may be economically irrational.

In section 2.4 I compare the insights and approaches of behavioural economics and socio-economics with current research in Consumer Culture Theory to suggest that interpretations of ‘how it is done around here’ may be as important in money

categorisations and pricing practices as they have been found to be in consumption behaviours.

Finally, in section 2.5 I examine literature which considers pricing within the research context – the art world.

Synthesising insights from the related literature discussed in this chapter, I then move on to the next chapter and outline the research agenda of this research project.

## **2.1 Pricing: A Mainstream Approach**

### **Introduction**

In this section I review the main pricing concepts from economic, finance and marketing theory. In each of these areas money is considered a neutral entity, and although the consumer may, in some models, be considered to be socially embedded, the pricer is assumed to be abstracted, and focussed on maximising economic gain.

The key ideas within the price-related literature are that, from the supply-side, price is a rational outcome of economic or strategic goals. It can be understood as a combination of the supply and demand model, as a means of covering costs and generating profit, as a signal, and as a means of realising a market strategy such as skimming or penetration. On the consumption side, which is the main focus within marketing literature, consumers are construed as understanding price differently depending on how they categorise the product, and to an extent, how they categorise the money they would use to buy that product. Whereas consumers are increasingly understood as socially embedded, and therefore likely to have different and changing interpretations and ways of using market activities, pricers are seen as economically rational, with a shared set of interpretive repertoires.



The emphasis in much of the trade press and academic marketing literature is on teaching or confirming particular ways of understanding and doing price. Whilst useful, these price approaches neglect an examination of the pricers as socially embedded, and therefore as having potentially varied understandings of appropriate pricing options and of the money gained from pricing and selling a particular product.

### **2.1.1 Neo-classical economics**

‘the paradigm of economic theory is to first characterize the solution to some problem, and then to assume the relevant agents (on average) act accordingly’

(Thaler 2008 [1985] , reprint of 1985 article, p.15)

The vast majority of price-related literature uses the abstracted and aggregated neo-classical economics Supply and Demand theoretical model, often in combination with management-relevant costs-plus-profit considerations. These are discussed below.

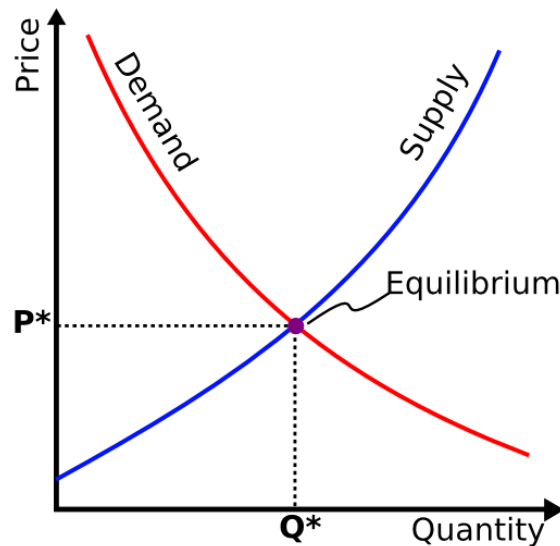
‘The tool in the economist’s bag in which most economists place the greatest trust is the supply and demand analysis of simple commodity markets. The theory stipulates that prices adjust over time until supply equals demand.’

(Thaler 2008 [1985] , reprint of 1985 article, p.22)

What is perhaps most important to remember about the supply and demand model is that it is a characterisation of abstracted (as opposed to embedded in society/culture) aggregated optimal behaviour. Although it may be useful as a baseline way of understanding price, it was never intended to be used as a ‘how to’ tool for an individual pricer, even if that is how it is frequently spoken of by the layman.

The supply and demand (S&D) model assumes perfect knowledge and free movement, and assumes that profit maximisation is the main purpose of firms, an assumption rooted in the classic writings of Smith, Marx and Weber (Morton and

Podolny 2002, p.432). In this model price is both an outcome of the intersection of the supply and demand lines (prices adjust until supply is equal to demand), and a driver for change in supply and demand. If demand exceeds supply prices are high, so supply will increase until price is stabilised at a lower level. The reverse also happens: where supply exceeds demand, price will fall until demand increases to meet supply, and some of the supply may be reduced.



**Figure 1: Supply and demand**

The supply and demand lines may be drawn as straight lines or as curves, as in the diagram above.

The effect that changes in price have on demand is called the elasticity of demand. The elasticity varies from zero (where demand remains the same regardless of changes in price) to one (where a 10% increase in price leads to a 10% decrease in demand), to greater than one (where a 10% increase in price would lead to a greater than 10% decrease in demand). In its use as a tool for the price management of products and services the degree of price elasticity of demand is thought to vary with product type and the opportunities and costs of switching.

In theory a free market should lead to optimal uses of resources – what Adam Smith termed ‘the invisible hand of the market’ (Smith 1776). However, there may be political, social or capital-requirement reasons why markets do not in practice behave rationally or optimally.

In terms of its application to real markets, four assumptions within the S&D model are particularly awkward. These are the assumptions of perfect knowledge, global relevance, free movement, and assumption of conformity.

Awkward Assumption: perfect knowledge.

Perfect knowledge is when everyone involved is aware of all the pertinent information at the earliest and same time. Although it is fundamental to the S&D model, this is generally recognised as a dubious assumption. Instead, there is recognition that knowledge cannot be perfect, and that barriers and costs of knowledge-acquisition matter in determining prices and successful sales. This has been explored in for example, Akerlof’s influential Nobel Prize-winning paper ‘The Market for “Lemons”’ (1970), in which he discusses the effect of knowledge *asymmetry* on micro-exchanges and the used-car and labour markets.

Awkward Assumption: global relevance

Although it was designed as a model for understanding simple commodity markets, the S&D model is frequently assumed relevant to all types of market. With a moment’s reflection one can think of examples where the S&D model does not appear to work, e.g. the case of luxury/status goods, where according to Veblen (1899) demand would be expected to go *up* rather than down, as price increases.

Awkward Assumption: free movement

According to the S&D model all agents are free to enter and leave markets whenever they like with no penalties, and can change to an alternative production/purchase if that is more rational/efficient. However, this freedom is not often the case in real life.

There are tangible and intangible costs, restrictions and benefits to entering or leaving markets or particular trading relationships.

#### Awkward Assumption: Conformity

As Thaler pointed out in 1985, ‘the paradigm of economic theory is to first characterize the solution to some problem, and then to assume the relevant agents (on average) act accordingly’ (2008 [1985] reprint p.15). The S&D model is a theoretical aggregated macro model, and the assumption that individual agents act ‘on average’ like the model does not appear to reflect reality at a micro level. This is perhaps due to variations in knowledge, product, and context. The S&D model often does not work at a macro level either, although the assumption still seems to be that it *should*. For example, in a recent exchange with an independent financial advisor I was told

“these companies’ share price movements are closely correlated to fluctuations in commodity and oil prices which are increasingly driven by speculative trading rather than simple supply and demand dynamics”

(SJR)

Although Grampp’s aim in *Pricing the Priceless* (1989) is to demonstrate why the neo-classical economic theory of supply, exchange, and demand and the assumption of maximisation *can* be used to explain art pricing by including conceptions such as taste and social capital within the economic idea of ‘utility’, there is an increasing interest in using micro-research to critique rather than support the normative economic models. This is discussed in the section **An Alternative Approach**.

To summarise, mainstream basic economic theory assumes perfect knowledge, no restrictions to trade, and a goal of economic maximisation at both a macro and micro level. The supply and demand model dominates discussions of price within lay theory and price literature even though it is built on contentious assumptions and is applied far beyond the simple commodity markets for which it was intended.

Observable differences between economic theory and real life have led to an increasing interest in understanding actual economic practices, leading to areas of research such as behavioural economics, consumer research, and socio-economics. These alternative approaches are discussed in more detail after a brief discussion of the Finance approach to price, which uses the S&D model to build pricing models and inform pricing practice, and an overview of the main pricing approaches within Marketing.

### **2.1.2 Finance**

Within finance theory price is about covering costs and ideally generating profit. The two main approaches are to work forward from costs towards price, or to work back from a desired-profit target in a process known as break-even analysis.

Break-even analysis assumes a significance of demand in terms of the price/volume implications. Hypothetical demand curves which allow for estimated elasticity of demand at different prices are laid over various cost/volume curves, then final price decisions are made by comparing the profit implications of different prices in relation to the estimated volumes that would be sold and the costs at different production volumes (this generally includes a consideration of fixed and marginal costs).

Given that the break-even model uses many estimates and a choice of method re the costs (what should be included, as well as different ideas regarding how these should be calculated), it is important to consider that although it is often presented as a ‘rational’ model, the model’s inputs and interpretations – and therefore pricing practice - will be informed by the user’s understandings of what are reasonable assumptions, what is ‘standard practice’, and their understandings of ‘how it is done around here’.

### **2.1.3 Marketing**

Although the underlying assumption within marketing price theory is that prices must cover costs, so all pricing systems are to that extent cost-related, from a marketing point of view pricing to cover costs is only a beginning: if only costs and desired-profit are considered there is a danger of setting prices which do not fit the market or marketing strategy.

Within Marketing price is generally considered as one element of the Marketing Mix or 4Ps, first proposed by E. Jerome McCarthy. Although considered by some to be an oversimplification the 4Ps is still considered to be a core conceptual tool (Yudelso 1999). Within this model the four elements, Product, Place, Price, and Promotion, should ideally work together to create a cohesive message. What is important therefore about price is its fit with the other elements in terms of its communication potential: how do consumers understand the price message? Is it consistent with the message given by the other three elements?

Market-related pricing systems take both consumers and competitors into account, and can be grouped into five main areas. They are: perceived (Zeithaml 1988) pricing; psychological pricing; promotional pricing; skimming, competitor-related pricing (Scott and Jones 1999).

#### **Perceived value pricing**

Prices are determined using assumptions regarding what customers are willing to pay for, and how much they are willing to pay for it. This is a frequent topic within the work of market research practitioners, and within academic research as can be seen in the stream of marketing literature stemming in particular from Zeithaml's (1988) hugely influential paper in which she offers definitions and methodological protocol for exploring the 'indistinct and elusive constructs' of consumers' price/quality/value constructs.

#### **Psychological pricing**

This approach uses consumer understandings of price, and includes concepts such as conspicuous consumption or the Veblen effect, where price is raised as an indicator of prestige & quality (Shapiro 1983). That is, an item (particularly those positioned as luxury items) is thought to become more rather than less desirable as price goes up. For example, perfume may sell better at £30 a bottle than at £15.

Psychological pricing also includes concepts such as framing (Tversky and Kahneman 1981; Thaler 2008 [1985]), where price perception is informed by related information such as categorisation of type of expenditure. This is linked to what Marketers call anchoring – where another product/price is used as a reference, making the primary product more desirable. For example, luxury handbag prices are seen as ‘reasonable’ when they are contextualised by a more expensive clothing range, or as another example, a high Recommended Retail Price (RRP) may be stated to allow for the perception of deep discounting in the actual retail price.

Other psychological approaches to price include the use of pricing points, such as £9.99 rather than £10.00, and discounts. Discounts might include offers such as Buy One Get One Free (BOGOF), or 20% Free; sometimes these may be from artificially high starting prices.

### **Promotional pricing**

Prices are set low to generate increased sales volume – perhaps to clear excess stocks, or to increase consumer awareness and grow market share (penetration pricing).

### **Skimming**

Prices are set high (premium price) for new entry with a perceived high value, e.g. Apple’s latest i-player, which will be superseded by competitor entrants or the company’s own next offer. Prices are progressively reduced as competition (substitution or imitation) increases.

## Competitor-related

The emphasis here is on ‘the going rate’, rather than on demand or costs.

Importantly, but not mentioned in the pricing literature, what is considered the going rate will depend on *perceptions* of field, sector, market leader, available options and their likely effect. White (1981) points out that producers are more likely to look at other producers than at consumers when deciding how to act, reinforcing the argument that what one does is shaped by the idea that ‘this is how people (or organisations) like us do it’. Whereas White was writing at the firm level, MacKenzie (2006) emphasises the idea that firms are made up of individuals whose culturally-informed interpretation of others’ market behaviours and ‘the way it is’ will necessarily vary. This is discussed in more detail in the section ‘An Alternative Approach’

‘The way it is’ within a particular field may seem solid to those involved, but the status quo and ‘way it is done’ is fluid and can be contested. For example consider the relatively recent entry of budget airlines and their challenge to extant airline pricing repertoires through a separation of elements (what Thaler called the segregation principle) rather than following the industry norm of integrated pricing. The new arrivals challenged existing ideas of what a passenger can reasonably expect to be part of the flight-price package. Now one may have to choose to pay for or do without previously included elements such as various payment options, baggage allowance, and in-flight food.

The practitioner ‘how to price’ literature (either the implicit teaching as in articles in the trade press, or explicit teaching material such as MBA texts and ‘how to’ articles and books) appears to be informed by the research literature, which focuses on how *consumers* understand and react to prices. The literature on consumer understandings of price often includes the important but nebulous culturally-informed concept of value, and much of it is informed by Zeithaml’s previously-mentioned influential means-ends paper (Zeithaml 1988), in which she proposes a definition of the



concepts of price, perceived quality and perceived value of a product from the consumers' perspective, and the relationship between the concepts.

Zeithaml proposes 'A Means-End Model Relating Price, Quality and Value' based on a synthesis of extant literature and a study of primary data gathered from an exploratory study. This involved a focus group and in-depth interviews with thirty consumers, and in-depth interviews with five senior company staff. The focus of the research is the consumer perceptions of value, as can be seen in the proportions of type of participant, and in the focus of the interviews with the company staff. However, she points out that managers' views (here, about what is important in quality perceptions) may differ considerably from consumers' or dealers' views.

'In-depth interviews were held with the marketing research director, the senior product manager for juices, two company strategic planners, and the president of the company's advertising agency. Open-ended questions pertained to issues such as company knowledge about quality and value perceptions of consumers, ways the company determined those perceptions, and how quality and value were communicated to consumers.'

(Zeithaml 1988, p.3)

The model Zeithaml proposes is 'an adaptation of a model first proposed by Dodds and Monroe (1985) (and) affords an overview of the relationships among the concepts of price, perceived quality, and perceived value' (Zeithaml 1988, p.4). Here the means-end is defined as

Product → Functional benefit → Practical benefit → Emotional pay-off

(Zeithaml 1988, p.5)

In Zeithaml's model price is divided into 4 parts: objective price, perceived monetary price, perceived non-monetary price, and perceived sacrifice. That is, following precedent from the economics literature (she cites Becker, 1965 as an

example) consumer perceptions of price include time costs, search costs and psychic costs as well as the monetary aspect of price.

Because Zeithaml is focussing on the consumers' perspective, Price is defined as a 'give', not the 'get' it would be for a pricer. That is, in Zeithaml's model price is 'what is given up or sacrificed' (p.10). 'Objective price', one of the four parts of price, is seen as a 'Lower level attribute', and the three other parts are categorised as 'Perceptions of lower-level attributes'. She states (p. 8) that prior literature suggests that monetary price is used by consumers as an indicator of quality where there is little other information, but where there are other cues such as packaging and advertising price becomes secondary in interpretation of quality. Also, she suggests, the use of price as a quality indicator varies with product type (p.12).

Using previously-published literature, Zeithaml points out that many consumers encode the objective price, so that whilst some may remember a specific price such as \$1.69 for a six-pack of soft drink, another consumer may remember 'cheap' or 'expensive', whilst others may not encode the price at all. Encoding relies on having clear price information, on having relevant references, and on the desire to encode. Encoding appears to vary with type of product, and by demographic group. I suggest that although Zeithaml does not mention this, encoding also relies on an idea of what type of reference or framing is 'appropriate' when encoding. That is, encoding as 'cheap' or 'expensive' may be informed by considerations of social positioning and perceptions of desirable response in both the data-collection process and in the participant's normal practice.

Prior research regarding perceived and actual relationship between price and quality has given very mixed results (Zeithaml 1988, p.11), and she suggests that a greater understanding of quality cues is needed. She also points out that 'what constitutes value – even in a single product category – appears to be highly personal and idiosyncratic' (p. 13), and that there are differences in the attributes pricers/manufacturers think consumers pay attention to, and those the consumers say they pay attention to and value (p.5). I suggest that it is possible that where there is

synchronicity in interpretation of quality/value cues it may be because understandings of product attributes and their interpretation are created across markets in a dialogical process, as well as within producer/consumer silos.

Despite such high-profile work discussing the difficulty of reaching a predictive model of consumer perceptions of price, value and quality, within the practitioner-facing pricing literature there seems to be an assumption that amongst consumers and amongst those doing the pricing there will be a shared range of interpretive repertoires and associated practices (e.g. higher price will be interpreted as more desirable, if it is a luxury product such as perfume). However, just as consumer interpretations are complex and varied, it seems feasible that pricers' interpretations and ensuing pricing discourses may be complex and varied. Also, pricers' assumptions and understandings may be different from consumers' assumptions and understandings. I suggest that pricers' discourses of price may involve a significant element of socially-constructed shared assumptions and understandings of 'the way it is done around here' which is overlooked within the pricing literature. Whilst the economic, finance and marketing models are very useful in providing pricing heuristics, our understanding of price and how it is understood by those doing the pricing can be enriched by considering the *social* element of the pricing context, and, as in Zeithaml's study, by talking to those involved in the process.

#### **2.1.4 Why do we need an alternative approach to pricing?**

The neo-classical economic theoretical model of supply and demand dominates mainstream price literature, and may be a useful framework for understanding macro prices. Financial considerations such as 'costs plus profit' are similarly common and generally found to be useful when considering how pricing could be done. Within Marketing price is one of the four elements of what is known as 'the Marketing Mix', but is often treated as a less important element within the Ps : 'Perhaps influenced by economics, Price is split off as an element worthy of separate consideration; although this may, in many cases, over-emphasize its importance'

(Mercer 1996, p.28). Where it is given attention, pricing theory in marketing is focussed on maximising sales through deeper understandings of consumer responses to prices.

What is not mentioned in the economic, financial or marketing price literature is that pricers' knowledge and interpretation of pricing systems and assumptions regarding how consumers will understand them are learnt and may vary, as may pricers' understandings of whether a particular strategy or price discourse is appropriate for a particular product/context.

However, whereas pricers' varied understandings of the meanings of price remains largely unexamined, there *is* a growing body of work looking at how individual *consumers* understand prices and money, given that the theoretical assumption of economic rationality does not reflect actual consumption practices. This body of literature is important as it may shed light on pricers' practices, and is discussed in the next section.

The two main approaches discussed in the next section can be described as Behavioural Economics, and Socio-economics. Broadly, the former assumes a shared set of price/money understandings, whereas the latter explores differences between understandings.

## 2.2 Pricing: An Alternative Approach

### Introduction

This section should perhaps be better titled Economic Action: An Alternative Approach, as the literature gives insights into various economic actions which are helpful in understanding pricing, rather than focussing on pricing. As previously discussed, the body of literature which focusses on pricing (as opposed to price) is very small. In this section I move away from economic, financial and marketing pricing models (discussed in the previous section) in which money is treated as neutral and the pricer is assumed to be using an economic or marketing rationale. I propose a different model with which to consider price and pricing, and examine the related literatures.

In this alternative model, rather than considering price as the outcome of supply and demand or cost-plus considerations, or as an element in a strategic marketing plan, I suggest that at its most basic pricing involves a consideration of the object and of money, and the process of comparing one with the other. Whilst there is literature on each part of the model (object, money, and the commensurative process) there is little which connects the constitutive parts.

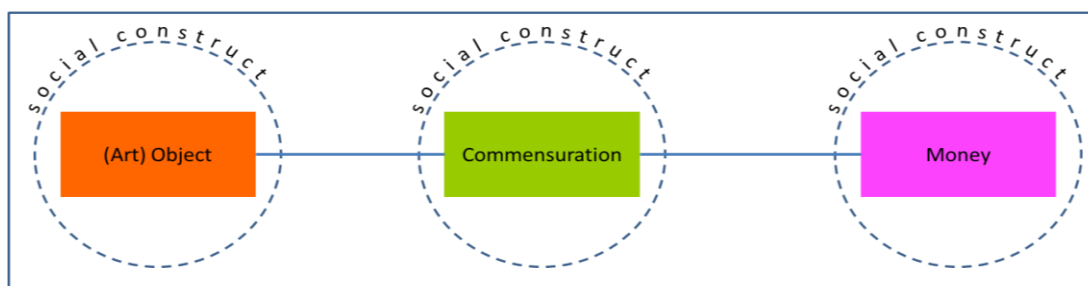


Figure 2: Relationship between constructs

In this alternative model what is important is the idea that each element is constructed, and has meanings which, whilst often treated as obvious, are not inherently true or 'nature' (Barthes 1972). In this I am making a small but important step in synthesising literature from different disciplines to suggest that pricing involves how the object is understood or categorised, and that this will vary from person to person (a key idea from Consumer Culture Theory), and that how money is understood will similarly vary (a key idea from socio-economics, notably Zelizer (1994), which is discussed in more detail later). Although the naturalness of particular modes and rules of commensuration may be taken for granted, Espeland and Stevens (1998) point out commensuration - the process of deciding whether items are equal in measure or extent - is a social, not natural process.

In this section I concentrate on the idea of commensuration as a social process, and that in the case of most market exchanges commensuration involves deciding what type or quantity of an object is equal to how much of what type of money.

There has been a great deal of work exploring the social construction of 'object', its categorisation and its desirability (Barthes 1972; Bourdieu 1984; Appadurai 1986), but what Espeland and Stevens point out is that the idea of *relative* values of object and money is also a social construction and a source of power. That is, as Callon and Muniesa (2005) point out, in order to be calculated, goods must be deemed to be calculable, and as Espeland and Stevens emphasise, one's view of whether or not a good is or could be calculable is constructed (see also Zelizer 1994). Knowing whether and how an item is commensurable, or how it can become commensurable, matters socially and economically.

Although there is little literature regarding relative values of object and money, work by Thaler, Ariely, Kopytoff, Epp and Price gives some potentially useful insights regarding particular ways of construing objects and commensurative rules. In particular, they discuss the effect of ownership. I begin with two behavioural economists, Thaler, and Ariely:

Thaler touches upon the potential importance of ownership in pricing practice in his exploration of what he calls the 'endowment effect'. This is where 'people generally will demand more to sell an item they own than they would be willing to pay to acquire the same item' (Thaler 2008 [1985], p.201). This is an interesting idea when considering pricing of objects, as a basic assumption is that anyone pricing and selling an object owns the object, or is acting as an agent for the owner (e.g. as an employee of a firm).

Ariely's research considers a particular type of ownership, where the owner has been involved in the construction of the object. He calls this 'the IKEA effect': if you build something, pride and sentimental attachment are likely to give you an inflated sense of its quality (Ariely 2010). Although Ariely does not use the word 'singularity', the link with Kopytoff's concept is strong in that by building the item, it becomes different from those built by someone else, i.e. it becomes singular. Although Ariely's focus is on how the consumer values the item they have constructed, and assumes that ownership (rather than sale) is the endpoint, the idea that something would be valued more highly because of involvement in its production could be pertinent when considering pricing practice, especially in contexts where the pricer has made the item, or is closely tied to the production.

Kopytoff (1986) considers the effect of object categorisation and associated pricing when discussing the example of the sale of an heirloom. He suggests there is an inflation of value, caused not so much by production effort (as in Ariely's IKEA effect) but by the pride and sentimental attachment of ownership (the endowment effect). He also suggests that there is a possibility of multiple categorisations (and associated commensurative rules and values) of the object at the point of pricing:

'What to me is an heirloom is, of course, a commodity to the jeweller, and the fact that I am not divorced from the jeweller's culture is apparent in my willingness to price my priceless heirloom (and invariably overestimate its commodity value). To the jeweller, I am confusing two different systems of

values: that of the marketplace and that of the closed sphere of personally singularized things, both of which happen to converge on the object at hand.'

(Kopytoff 1986, p.80).

The model of rational economic activity and sentiment/personal relationships as separate spheres or hostile worlds is strongly critiqued by the new socio-economics. As Zelizer (2007, p.1059) points out, in new socio-economics economic action is seen as inextricably intertwined with social, relational and cultural concerns, rather than as two separate areas of activity, and close contact between the spheres will not result in contamination and disorder. However, the idea that practitioners may use a contaminating construal is potentially important.

In the example above Kopytoff suggests that categorisation of object, as well as interpretation of overlap, has an impact on pricing practice and interpretation of appropriate price. Importantly, in Kopytoff's example, the buyer (jeweller) and seller (himself) categorise the item differently, but he assumes that the two parties understand that the other has different categorisation rules and associated pricing practices. That is, Kopytoff suggest that amongst those involved there is an awareness that different meaning-making is possible, and an awareness of what the other party's repertoires might be.

This idea of the possibility of multiple and co-existing categorisations and meanings of objects and associated commensurative practices is an important one. This prior research suggests that categorisation of an object, such as whether it should be considered an inalienable good (Epp and Price 2010) or a sell-able item, and the process of movement between categorising the object as a singularised or commoditised good may be important in pricing practice. The focus of Epp and Price's study is the categorisation of an object and the use of the categorisation and object in family relationships and identity projects. Although identity projects are not considered in my study, what is of interest for my research is the idea that object-categorisation and understanding of consequences of that categorisation vary, are personal, and have social uses.



Within marketing (especially within the CCT literature) we are used to considering consumers' categorisations of object as socially-constructed, but what the findings of Thaler, Ariely, Kopytoff and the singularised/commoditised literature suggests is that those doing the selling may be doing something similar too. Rather than using economic rationale, or a marketing strategy, there appears to be some shared but fluid societal rules about how someone 'like you' would/should/might think about and price (or refuse to price) an object 'like that'.

How one construes and discusses the commensurative process in a particular context is informed by one's cultural capital, and being able to construct something as more or less valuable, or perhaps as incommensurable, can be seen as an important social tool.

## **Summary**

Pricing involves a consideration of the object, the money, and an awareness of commensurative rules. Although there is a good deal of literature within the marketing canon regarding construction of object meanings, money-meanings and construction of commensuration rules are largely ignored.

Espeland and Stevens (1998) draw attention to the socially-informed nature of commensuration, but they, like Appadurai, treat money as a simple element in the comparison or conversion process. However, money has become a topic of sociological research in its own right (Baker and Jimerson 1992).

It is to this body of work I now turn, starting with a brief discussion of the two main perspectives within money-practice research: behavioural economics, and socio-economics.

## **Alternative approaches to neo-classical economic**

**models:** Behavioural Economics / Socio-economics

### **Introduction**

Although the aggregated abstracted models of economic theory have been widely used for many decades, there has been an increase in critiques of and alternatives to neoclassical models of economics. These include behavioural economics, socio-economics, feminist economics, organizational economics, institutional economics, household dynamics and, more recently, neuroeconomics (Zelizer 2007). For the purposes of exploring money-meanings and money-practices within pricing for my research the two main approaches are behavioural economics, building on Tversky and Kahneman and Thaler, and socio-economics, building on work by Granovetter. Although there is overlap between the two areas the main differences between the two approaches are outlined below. In this section I give a brief overview of the two approaches, then in the next section I explore the money-practice insights from each.

#### **2.2.1 Behavioural economics**

Mainstream economic theory - neo-classical economics - is 'a set of ideas that explains how people conduct themselves in order to get as much as they can from what they have. (It) is about sensible and self-interested behaviour' (Grampp 1989, p.3), where 'sensible' is judged by a criterion of economic rationality based in expected utility theory. In contrast, the main driver behind the growing area of research known as behavioural economics is the idea that 'there are instances when consumers act in a manner which is inconsistent with economic theory' (Sewell 2007/2010).

From Tversky and Kahneman in the 1970s, Thaler in the 1980s, to Ariely (2010) there has been increasing and high-profile interest in challenging the fundamental

assumption within neo-classical economics that, where finance is concerned, humans behave in an economically rational way (Langreth 2010). There are increasing calls from behavioural economists to collect economic data through laboratory studies or out in the field rather than accept models based on theoretical assumptions.

Behavioural economics builds in particular on Tversky and Kahneman's 1970s Nobel prize-winning research. Although their prize was for economics, both were psychologists, interested in how people make decisions under situations of uncertainty. Uncertainty or risk, as discussed in the Economics section above, is a more accurate reflection of the reality of most purchasing (and pricing) situations, than is the perfect knowledge assumed by the S&D model.

In their hugely influential 1979 work on prospect theory Tversky and Kahneman offered an alternative theory of choice to what had been (and is still) a dominant economic concept: expected utility theory. Rather than assuming that 'all reasonable people would wish to obey the axioms of [expected utility theory]' (1979, p.263), in which the utilities of outcomes are weighted by their probabilities, Tversky and Kahneman proposed that the pervasive tendency for people to make irrational and varying choices when the same options were framed differently, or when outcomes were probable rather than certain, could be better explained by assigning values to gains and losses separately, rather than looking at the overall outcome. This was further developed by Thaler, who in 1985 introduced the concepts of transaction utility and mental accounting as an alternative to normative economic theory (p15 of the 2008 reprint). This important development is discussed in more detail in the section *Money: mental accounting*.

The behavioural economics challenge to existing economic theory has focussed on but is not restricted to consumption behaviours. There is a small but growing pool of production-side literature. For example, in a challenge to the Supply & Demand assumption rooted in the classic writings of Smith, Marx and Weber that profit-maximisation is the main purpose of firms Morton and Podolny (2002, p.432) use the concept of utility to suggest that whereas in theory demand-pull shapes the

characteristics of the market, in fact supplier-push and supplier motivation can also be important where suppliers are willing to sacrifice profit. In an echo of the point that Douglas and Isherwood (1996, p.8) make about the need to consider production ('labor') as 'an end in itself', Morton and Podolny suggest that the non-profit-maximising production by Californian hobbyists could be because 'producers can gain utility from aspects of production'. They suggest that for this group of pricing producers the 'strong non-financial returns' (p.432) outweigh economic logic. In other words, the wine producers gain something by being wine producers, perhaps especially if they can be good-wine producers with lower profit margins: Morton and Podolny found that 'wineries scoring high on the *love* factor have higher prices' (p. 451), and that the price premium 'declines with length of time the owner's family has owned the winery, which we interpret as evidence of learning-by-doing' (p.432).

A more sociological interpretation of Morton and Podolny's research would suggest that producers' market actions and prices could be understood as both a signal and a result of particular taste or cultural capital. Their research could be extended to consider Barthes' suggestions (1972, p.58) that one should consider why there might be utility in being a wine producer, a good-wine producer, and then a good-wine producer choosing low prices (when adjusted for quality), and how this is understood and constructed by the wine producers. It is these sociological, relational, and cultural aspects of pricing that my research addresses.

A paper which straddles the behavioural and social economics approach to pricing behaviour is Becker's (1991) work on restaurant and theatre pricing. This is discussed in more detail in the section How it is Done Around Here.

### **2.2.2 Socio-economics**

Whilst there is what Zelizer terms a 'sparkling' body of behavioural economics literature (e.g. Thaler, Ariely), which concentrates on the shared psychological elements of consumers' economic behaviour, my research is more closely aligned with socio-economics theory, which shares many similarities with the CCT

movement within marketing in that it considers social and cultural aspects of market behaviours.

Twenty years ago economic sociology was more closely aligned to mainstream economics (Zelizer 2007, p.1056). What is sometimes called New Socio-economic theory is built on the Polanyian 'double movement' of embedding and re-embedding markets in society, and on Granovetter's seminal (Swedberg 1997) paper 'Economic Action and Social Structure: The Problem of Embeddedness' (1985). Socio-economic research draws on foundational literature from Weber and Marx (SASE 2009 conference proceedings), and recognises similarities with Bourdieu's approach and findings ('moving in the same direction'). As previously mentioned, whereas 'old school' socio-economic research construed economics as something which happens within a shell of society, New Socio-economics attempts to 'identify social processes and social relations at the very heart of economic activity' and offer a 'truly alternative, socially based description and explanation of economic activity.' (Zelizer 2007, p.1058). It is this second, dialogical, interpretation of the term 'embedded' which I use throughout this document.

Although working in different disciplines on a variety of topics, socio-economists such as Zelizer and CCT theorists share a focus on the cultural and relational underpinnings and uses of market artefacts and behaviours, and draw on similar foundational literature. Along with Zelizer's (1994) book *The Social Meaning of Money*, Mackenzie's (2006) *An Engine Not at Camera* inspired my research, opening windows onto ways of thinking about a familiar but puzzling market practice.

*An Engine Not a Camera* is an exploration of the performative elements of market practices within the workings of the Chicago stock exchange. Rather than seeing the stock exchange as an aggregated and economically optimising entity, which is the more common way of thinking about stock markets, here it is construed as a collection of individuals whose actions are informed by who they know and what they know, and how others interpret their discourses. Particular people and texts are

seen as notable for their ability to influence behaviour and shape overall trading. MacKenzie's work demonstrates how 'economics has grown up around corporations and markets but by its very development has reshaped those corporations and markets in its own image' (Zelizer 2007, p.1066) In particular, MacKenzie looks at the impact of the publication and effect of shared interpretations of the Black, Scholes, Merton model of options markets, showing that even in this supposedly extremely rational market the 'how it is done' of economic action is learnt, not nature. Rather than theory reflecting reality (a camera not an engine, Marx suggested), MacKenzie shows how academic theory can *drive* market behaviours. That is, economic agents are embedded in their world, not abstracted, and theories shape relationships and practices as well as being shaped by them: The Black, Scholes, Merton model 'worked' because so many actors used it as a 'how to' script, sharing interpretations and resultant behaviours. The idea of scripts, interpretations and performativity is an important one in the development of my research.

The 'growing economic literature that recognizes the influence on consumers and workers of the social world they live in' (Becker 1991, p.1116) is rooted in the idea that individual economic actors are embedded within social contexts and relationships. This is in contrast to economic theory, which assumes that economic actors are somehow abstracted whenever they consider or are involved in economic/financial actions.

Although as with the marketing research the focus within socio-economic research is largely on the consumer, what is important for my research is the idea that market activities are performed, understood and shaped by people whose understandings of 'how it is done' include more than economic maximisation. Economic practices – including pricing – cannot be abstracted: they are necessarily also social and cultural practices.

### **2.2.3 Pricing as practice**

Research from both behavioural- and socio-economics provide powerful insights into how economic action, money and prices are understood by consumers, which provides a useful launch pad for looking at how those *doing* the pricing might understand money, prices and the activity of engaging with the market. Whereas behavioural economics appears to be more interested in looking for broad similarities with predictive potential, socio-economics appears to be more interested in raising awareness of social and cultural aspects of economic actions.

In the next section I narrow the focus to examine the money-related insights gained from previously published behavioural economics and socio-economics research.

## 2.3 Money: Mental Accounting and Social Meanings of Money

### Introduction

Having discussed the difference between abstracted aggregated neo-classical economic theory and behavioural economics and socio-economics, and explained why these latter approaches are more useful to this research in that they consider economic actions as embedded actions performed by individual people, in this section I draw on literature from behavioural economics and socio-economics (including anthropological work by Douglas) which focuses on money.

I focus on money because pricing something means thinking about it in money terms. Whilst an obvious point, this has been ignored by the vast majority of price research to date.

Kopytoff suggests that at the point of exchange anything that can be bought for money becomes a commodity:

‘a thing that has use value and that can be exchanged in a discrete transaction for a counterpart, the very fact of exchange indicating that the counterpart has, in the immediate context, an equivalent value. The counterpart is by the same token also a commodity at the time of exchange. The exchange can be direct or it can be achieved indirectly by of money, one of whose functions is as a means of exchange. Hence, anything that can be bought for money is at that point a commodity, whatever the fate that is reserved for it after that transaction has been made’

(Kopytoff 1986, p.69).



In this conceptualisation money, whilst not being essential in an exchange of goods, is seen as performing a useful function in enabling the exchange of goods. However, the involvement of money is seen to change the categorisation of the object, even if only for the time of the exchange, from something else (perhaps a singularised good) to a commodity, from whence it can be re-categorised. Kopytoff suggested that 'shifts and differences in whether and when a thing is a commodity reveal a moral economy that stands behind the objective economy of visible transactions' (1986, p.64. See also Hornborg 1999). The idea of an underlying moral issue therefore appears to be closely linked with the involvement of money in the transaction, which it necessarily is in a pricing context. That is, money matters in pricing.

Whereas in the economics, finance and marketing literature the money aspect of pricing is treated as a simple element, money-centred research from behavioural economics, socio-economics and anthropology suggests people categorise and handle money differently depending on source, holder, form and earmarking. I suggest that the idea that money is far from simple and can have multiple categorisations and associated 'rules' may be important when trying to understand pricing practices.

Socio-economic and anthropological research suggests that far from being a neutral entity as suggested by Simmel (1978 [1907]/1900), money has many meanings and is used to shape and confirm relationships. However, it is perhaps important to note that whereas the neutrality of money suggested by Simmel is understood to be 'greying' and relationship-eroding by Zelizer (1994), which implies a negative effect of neutrality, Simmel (1978 [1907]/1900) suggested that the neutrality of money is beneficial, in that it removes the kinships ties and obligations which had hitherto constrained exchange, and that from this point of view the neutrality of money is a step towards (desirable) equality. However, for socio-economists, money is seen as a medium of social relations, in that rather than removing ties and obligations, money categorising and handling practices can be seen to be used in the creation and

maintenance of relationships, culture and social structure (Douglas 1982; Granovetter 1985; Baker and Jimerson 1992; Venkatesh 2006; Zelizer 2007).

This social and meaning-full way of construing money is a significant alternative view of money, and begs the question whether modern (i.e. Western contemporary) pricers use varied money categories, and whether category choices affect pricing decisions in a manner similar to the variation in money-related practices hoped for by Hornborg (1999), and exhibited by contemporary consumers (as suggested by for example Thaler and Zelizer) and 'primitive' pricers (as suggested by Douglas 1982). This question was not answered within the extant literature.

As there is a paucity of work exploring pricers' money-related practices, in this section I turn first to consumer-focussed work where money is a central, rather than incidental topic. I then address the smaller body of work on producers' money-categorisations. Although my interest is primarily in sociological money and market research, Thaler's behavioural economics concept of mental accounting is included here as important work which supports the idea of different monies and associated behaviours.

### **2.3.1 Mental accounting**

Unlike expected utility theory, which is still a dominant if contested economic model of market behaviours (Sewell 2007/2010, p.7), Thaler's concept of mental accounting gives a descriptive and predictive model of consumer behaviour, not a characterisation of optimal behaviour. Combining cognitive psychology and microeconomics, mental accounting is a model of a 'set of cognitive operations used by individuals and households to organize, evaluate and keep track of financial activities' (Sewell 2007/2010, p.3).

Building on Kahneman and Tversky's Nobel Prize-winning work on prospect theory, which they offered as an alternative to expected utility theory, what Thaler found from a series of laboratory studies is that '(implicit or explicit) accounting systems often influence decisions in unexpected ways' (Thaler 1985, p.15 in 2008 reprint).

For the purposes of this research, the main findings are that consumers mentally allocate money into different ‘pots’, and that these have related calculative heuristics and accounting systems. That is, although money may generally be thought of as a neutral fungible entity, people do not in fact treat money as the same in all instances.

‘Each of the components of mental accounting violates the economic principle of fungibility [in which a dollar is a dollar is a dollar]. As a result, mental accounting influences choice, that is, it matters.’

(Thaler 2008 [1985] (1985)).

According to Thaler, once assigned to a particular pot the money becomes non-fungible, i.e. it is generally not transferrable to another pot – the monies are not equal. According to Thaler, these practices of money categorisation, associated heuristics, and non-fungibility may mean (and often do mean) that consumers make economically irrational choices.

Thaler’s findings are important in that they show that consumers treat money in a variety of ways, and this affects their consumption practices. As Thaler pointed out, how consumers think about and allocate money has direct relevance to marketers, especially in terms of their pricing strategy, in that marketers can use concepts such as framing to encourage consumers to see the money they would be spending as belonging to a particular pot, and therefore associated with a particular mental accounting practice. I suggest that if one turns the focus from examining consumers’ accounting practices to examine pricers’ practices, Thaler’s findings might provide insights into if and how mental accounting practices are used by pricers. That is, do pricers mentally allocate money from a particular source (object or buyer) into particular pots, and if so, what meanings and accounting practices are associated with that categorisation? If mental accounting is thought to affect consumption practices, it seems worth investigating whether mental accounting practices affect pricing practices.

### 2.3.2 Social meanings of money

Modern money has meaning and power only through ‘recognition and validation by the interacting participants’ (Perinbanayagam 2011, p.133).

‘money should be viewed as an element in the communicative system of the human agent as a dialogic creature, a creature who is primarily a symbol-making and symbol-using entity’

(Perinbanayagam 2011, p.133)

To Dyer (1989), money’s ‘most elemental social function is the creation of a shared experience, within which capitalism may function’ (Wennerlind 2001). To Perinbanayagam money is a necessary part of the ‘coinage of the self’ through the amount owned:

‘A person can have money in abundance, or more than enough, possibly just enough, or not enough, or even no money at all, and in each case the money will define one’s presence in the world as a person, a self, as an agent and a being.’

(*ibid* p.133)

and the way it is spent:

Money is ‘encapsulated power’, in that ‘every act of using and spending money is an expression of the power of the self, an assertion of power’

(*ibid* p.133)

However, to other researchers, whilst money ownership and spending may indeed be important elements of identity construction, this is only one aspect of money practice. From both a Consumer Culture Theory and a socio-economic construal of market practices, repertoires of product and money categorisations and interpretations of the appropriateness of the use of a particular interpretation are seen as fluid, learnt, and serving social as well as economic purposes. Just as one’s

understanding of an object, its desirability and its social use is constructed rather than nature, so are understandings of the money one might use to buy it, or the money one might gain in selling it. From this point of view money categories have meanings which are socially constructed, which inform money practices, and which serve a social purpose.

Although Perinbanayagam treats all money as the same, so that only quantity is important and type is irrelevant, the idea that money has different forms and these forms have particular context-specific meanings is not new – there are many examples within economic anthropology of ‘primitive’ peoples using currencies such as shells or pigs for particular transactions. For example, anthropologist Douglas (1982) wrote about how the Lele people used two different forms of money: woven raffia mats and coins, and that each form was understood to have its own specific range of appropriate exchanges and behaviours. However, the idea that contemporary Western actors might mentally shape modern money into different forms is a relatively novel one. In her chapter on Primitive Rationing (originally published in 1967) Douglas draws on her own experience and that of friends to show how we too ‘primitivize’ (*sic*) money by categorising it and treating it as different (‘limited purpose’) monies. Yet rather than see how these practices might be used within relationships (as she had found with the Lele), she limits her interpretation of her own money practices and suggests that ‘All these practices are but clumsy attempts to control the all too liquid state of money’ (Douglas 1982, p.74). Later research suggests that whilst controlling liquidity may be a reason for particular contemporary money practices, it is not necessarily the only reason. For example in an echo of Douglas’ findings regarding the Lele’s social rules limiting the use of their two currencies mats and coins, Hornborg (1999) suggests that we need the introduction of a new limited purpose local currency to run alongside and reduce the impact of what he sees as the eco-destroying abstracting global currency which has encouraged the quantification of what should be considered incommensurable.

Drawing on Durkheim, Belk and Wallendorf (1990) concentrate on an exploration of the idea that money is esteemed, yet it is condemned. They suggest that rather than money being necessarily tainting, it may be categorised as either sacred or profane, where what is considered sacred is 'extraordinary, totally unique, and set apart from and opposed to the ordinary profane world' (p. 38), and 'profane' is associated with idea of 'everyday functional use' (p. 39). As discussed by Carruthers and Espeland (1998, p.1397), money both 'acquires and bestows meaning' through the process of monetarization. For example, Espeland (1984) argued that 'the profanity of money alters the sacred character of blood, and people who sell their blood must manage the stigma associated with doing so' (Baker and Jimerson 1992). Although Belk and Wallendorf's focus is on consumption practices (p. 52), and their literature review 'reveals that the focus of almost all prior work has been on the uses [rather than sources] of money' (p.52) usefully for my search for insights into money categorisation associated with pricing, Belk and Wallendorf concur with Zelizer's point that 'certain sources hypothecate certain uses', and consider the source of the money to be important. They state that 'sources and uses of money are inseparably connected in determining the sacred or profane nature of this money' (p. 55), whilst pointing out that

'the focus of almost all prior work has been on the uses of money. This accurately reflects the greater influences of money uses (versus money sources) in establishing its sacred or profane nature, but it overlooks the still-important effect of the sources of money' (Belk and Wallendorf 1990, p.52).

Belk and Wallendorf suggest that whilst in the conventional economic view money may be considered a 'utilitarian commodity that acts as a medium of exchange, a unit of account, a store of value, and a standard of deferred payment', and 'increasingly abstract and devoid of meaning', money also has 'emotional, qualitative' meanings. So whereas Perinbanayagam (2011) suggests that ownership of a large quantity of money will always be regarded positively, others may construe the money as 'blood money' or 'dirty money', and view the ownership of a large

quantity of it less favourably. Belk and Wallendorf suggest that money may be considered to have sacred power, containing both a positive ('the almighty dollar', beneficent sacred) and negative ('filthy lucre', evil sacred) antithesis. They point out that an examination of the kratophanous tensions within the sacredness of particular monies may be helpful in explaining what appear to be irrational money behaviours, and suggest that

'In order to better understand people's use of money, it is necessary to consider the non-economic sacred functions that money may well have originally served and often continues to serve in modern economies. The thesis that modern money can be sacred and that it is sacralized by certain processes offers insight into some of the more puzzling ways in which people behave toward money.'

Belk and Wallendorf's examination of ethnographic data collected for a variety of purposes during the fieldwork from the Consumer Behaviour Odyssey (p. 37) is particularly useful in that it not only considers that there may be variation in categorisation of money ('the sacred or profane nature of object is not inherent. Instead, it is socially and individually defined' p.43), but also that the categorisation may affect how the money is treated and used, and that people may use rituals and processes to signal particular categorisation and to perform re-categorisation.

Importantly, Belk and Wallendorf suggest that whereas Kopytoff states that all objects become commodities at the point of exchange, meaning that they become fungible rather than singular, sacred or inalienable, if the money involved is categorised as sacred rather than profane then even when being priced, sold and bought the object may retain its sacred categorisation. Referencing prior work by Zelizer (1989) (a precursor to her 1994 book), they suggest that 'if money is itself sometimes considered sacred rather than utilitarian, its presence may not necessarily profane the objects and people it touches' (Belk and Wallendorf 1990, p.41). This is a significant point, as it provides a possible explanation for both the difficulties

experienced by some pricers when pricing objects generally categorised as ‘sacred’ or ideally separate from the market, and for the rituals of money categorisation which may accompany such pricing.

Whereas Belk and Wallendorf focus on a sacred/profane polarity Zelizer explores the idea of money categorisations more widely. Zelizer’s work examines in more depth the effect of source on money-categorisation and use, and she is also interested in the money form and how categories are learnt, used and changed. Although she usefully discusses the myriad ways in which we create new forms of money (echoed in Perinbanayagam’s example of currencies created in prison) what is particularly useful for this research is her examination of how money forms may be ‘made’ different through mental categorisation or specific practices, and that understandings of these monies and associations are socially-shaped and perform a social function. In other words, even when money is in one form - standard legal tender - it is not treated as though it is the same. Where it comes from, how it is spent, and the relationships between the different parties matter in the categorisation of the money. Zelizer gives the example of tips and ‘birthday money’ as different forms of money which have specific exchange rituals that are shaped by and reinforce particular relationships. As an illustration of categorisation by source and earmarking Zelizer (1994) gives an example of prostitutes who earmarked money from the government for bills, and the money earned through their work was earmarked as to be spent on clothes, alcohol, and going out.

The idea that prostitutes handled the money provided by the government in a different way to money earned through prostitution is reminiscent of Belk and Wallendorf’s (1990) work on sacred and profane money, but one should not assume that the government money was necessarily classed by the prostitutes as more ‘sacred’ or clean than money earned through prostitution. The assumption is dangerous, as what is considered dirt, dirty, and contaminating is learnt, not nature (Douglas 1966), and categorisations are used as a social practice.



Despite the possibility of varied construals of money and its effects, the transformation from the sacred into the profane by money is a dominant theme in Marx and is implicit within many criticisms of ‘the market’ and its effect. An example of the widespread assumption that money is tainted and tainting include the currently dominant artworld Romantic myth that art, to be good, should be beyond the market; another is the uproar caused by the debate whether wives should be paid for doing housework, and if so, how much. Money, how it is categorised, and assumptions about its effects matter.

In their study of the non-economic functions money serves in contemporary society Belk and Wallendorf ‘find that the interpretation of money as either sacred or profane depends on its sources and uses’. This can be applied to Zelizer’s cited example of prostitutes, but is problematic: Using etic rather than emic categorisations, on one hand the prostitutes cited by Zelizer could be said to separate the sacred, or clean money sourced from the government, which is used in a ‘clean’ way (bills), from their profane or dirty money earned from prostitution, which they use in a dirty way – to have fun, rather than to (for example) build up a pension. Or they could be said to categorise the bills as a demand for profane money, using Belk and Wallendorf’s suggestion that what is considered profane is the mundane, the utilitarian, the repetitive – ‘A profane commodity is not valued beyond its economic worth and is usually fungible; it is easily and acceptably replaceable with a similar object’ (Belk and Wallendorf 1990, p.41). It is possible that the earmarking of money earned from prostitution as ‘fun’ money could be used as a way of changing the prostitution money into sacred money. There are many ways in which their money practices could be interpreted. Although the links between source and earmarking in this example are stated by the participants, the *categorisations* the participants used are not clear, and one should be wary of assuming that one knows their context-specific categorisation and corollary rules.

In his exploration of actual money practices Venkatesh (2006) discusses the underground economy and money practices observed during his many years deep

hanging-out in a poor largely black community in the Chicago slums, which he calls Maquis Park. Within these 'hard circumstances' he saw 'a vast structure in place, a set of rules that defined who traded with whom, who could work on a street corner or park bench, and what prices could be set and what revenue could be earned' (p. xv).

Venkatesh does not use terms such as 'sacred' or 'profane', but his anthropological study within a contemporary Western setting offers many examples of categorisation of economic activities and artefacts, and of differences in categorisation. For example, although he was wary of being involved in certain types of mediation activity, 'most people [in the context] laughed when I argued that fixing cars and prostitution were not the same thing' (p. xvii). That is, whereas Venkatesh put the two 'objects' being priced (car repair and prostitution) in different categories, and was wary of mediating in the prostitution pricing context, others did not categorise the pricing of prostitution as any more or less 'sacred' or 'profane' than the pricing of car repairs.

The idea that sacred or profane categorisations can be understood as given or shared categories must include an awareness of the cultural construction of categories (Douglas 1966). Categorisation as sacred or profane, as with other categorisations, is not nature, instead it will vary from person to person, context to context, and therefore emic categorisation may be different from etic. Whereas Richard Thaler's laboratory-based research promotes the idea that there are shared money categories and associated accounting practices, implying that if one knows how someone has categorised some money one can predict their mental accounting practice for that money, field work by Douglas and Zelizer suggest that these are learnt associations, and therefore whilst there may indeed be shared practices, these are not necessarily shared by all, nor will they be shared in all instances.

This key difference between Thaler's work and Zelizer's probably lies in the research questions and methodology chosen. Thaler's work is based on laboratory studies and questionnaires, that is, they are short-term, abstracted studies, aiming for aggregated data which is then tentatively compared with common practice by using

what he terms ‘casual observation and some informal survey evidence’ (p.24). This is very different from the more anthropological approach used by Zelizer, which he might refer to as small studies which ‘will not withstand statistical tests’ (p. 25). Zelizer uses a much longer time-frame than Thaler, and gathers qualitative data from socially-embedded research settings through observation and analysis of a wide range of materials such as magazines and diaries.

From these very different types of data different conclusions were drawn: whereas Thaler suggests that once allocated to a particular pot the money is treated as non-fungible by that user, Zelizer suggests that money categorisation is not necessarily fixed: categories are contingent, and money can move between pots. That is, category changes do not only happen when money moves from one holder to another – e.g. when what is one person’s wages becomes another person’s pocket-money, or when relief money becomes personal income – but the category and degree of fungibility can also change within the course of a conversation, depending on the uses to which categorisation can be put, who one is talking to, what their view is, and their degree of influence.

Zelizer gives many examples of ritual of category change and the perceptions of the social need for them. For example, in an article on etiquette a magazine advised that gifts of money might be seen as being in bad taste. Instead, the gift should be disguised and made more palatable, perhaps by using a crisp new note and a beautiful card, or (as in one case) by organising a ‘check’ tea party, in which all the decorations were gingham and plaid, and therefore the cheques hidden in the teapot should be considered a clever pun which could not possibly be objected to. Another alternative suggested by the magazine was to give a token rather than cash, and the readers were reassured that this was an acceptable practice.

In contrast to Zelizer’s emphasis on the importance of the link between money source and earmarking and the associated rituals of category change, Venkatesh (2006) appears to suggest that in certain circumstances, such as the poverty in Maquis Park, money is treated equally (in terms of its earmarking) regardless of

where it comes from. Zelizer (2008) queries this finding, given that other research to date suggests that source does inform categorisation and earmarking. She suggests that further research would be useful to explore Venkatesh's finding that when money is very tight such practices disappear, even amongst those one might expect to maintain such distinctions, such as the clergy (as discussed in his chapter *The Politics of Donations*). In his research church elders knowingly received and sometimes actively sought ways to earn what would in many other circumstances be deemed 'dirty' money.

Zelizer (1994) points out that money is usually categorised, but that monies may not necessarily fall cleanly into one category or another. For example, 'pin money', which is a particularly gendered example, and 'pocket-money', which is an age-related one, do not universally fit into either a sacred or profane category, nor is it clear-cut what the associated accounting practice would or should be. Money categories belong to a particular context, and may suggest particular relationships between original source and new holder, and may indicate expectations re earmarking practices. As Zelizer illustrates in her example of aid-workers charged with instructing immigrants how to shop and budget 'correctly', there may well be problems when there are differences between the expectations of those providing the money and those receiving it in terms of what the associated practices should be. The meanings of money and its associated rules are a site of contention and power struggle, as well as a means of integrating and signalling group membership.

Amongst academics there is some disagreement about the effect of money on social relations, or the use of money in social relations. For example, Hornborg (1999, p.160, Note 3) states that "Although more less exotic exceptions can certainly be found, (...), they do little to invalidate the long-standing sociological conclusion that, by and large, modern money has had a tendency to render social relations increasingly abstract'. However, in concentrating on the idea that the current 'economic signalling system' is most closely linked to the 'general-purpose market and its axiom of universal interchangeability' (p.145) and so is systematically

destroying the ‘the material conditions of the species which devised it’ Hornborg has perhaps under-socialised the modern individual in treating him as alienated and disembedded through an all-pervasive logic of commoditization. Had Hornborg consulted Baker and Jimerson’s (1992) overview of the sociological money research, his view of modern society might have been rather less fraught.

Baker and Jimerson show that there has been prior sociological research which shows that money ‘is not as colorless, neutral, fungible and objective as economists contend. Money is shaped by objective social relations (social structure) and **cognitive classifications and evocative meanings (culture).**’ (Baker and Jimerson 1992, p.680. Added emphasis) They discuss micro-level cultural research by important writers such as Simmel, Zelizer and Douglas which suggests that the meaning of money matters at the individual and context-specific level, as well as at the collective level. The effect of money need not be to render social relations increasingly abstract, but instead money may be used within relations. What matters is how the use of money is interpreted.

Whilst Rose and Orr (2007) and Perinbanayagam (2011) concentrate on the relations and social positions created through the meaning of ownership of particular *amounts* of money, Carruthers and Babb point out that money, its meanings and effects ‘depends on people’s expectations rather than upon its intrinsic or material characteristics.....money is a social convention, and, as such, people’s response to it is determined by what they collectively think everyone else’s response will be’ (Carruthers and Babb 1996, p.1557).

### 2.3.3 Pricers and their money practices

Although seen as a neutral element within the vast majority of pricing literature, there is a growing body of work within behavioural economics and socio-economics showing that money is construed in a variety of ways, and that these affect fiscal practices.

Rather than seeing money as a neutral entity – a dollar is a dollar is a dollar – or perhaps as a destroyer of culture and relationships (as suggested by Marx and Simmel), the idea that money has varied and fluid meanings and categorisation is of growing interest to those intrigued by market behaviours. The focus so far has been primarily on consumers' understandings of money.

Within behavioural economics, building on work by Thaler, once money is categorised as belonging to a particular pot (i.e. is earmarked), the money is treated differently from money in other pots, and it becomes non-fungible. This common practice of categorisation of monies is important because it affects calculations and choice, leading to economically irrational or sub-optimal decision making. The emphasis within the behavioural economics research is on shared money-categorisation practices, and shared associated mental accounting practices.

Within the micro socio-economic money literature (see Baker and Jimerson 1992 for a very useful overview of the macro and micro socio-economic money literature) the focus is on differences in money categorisations and behaviours, why there are differences, and how money categorisations and differences in categorisation are informed by and used as a medium of social relations (Douglas 1982p. viii). Money has social importance as well as being a tool of exchange, as Zelizer (1994) and Baker and Jimerson (1992) point out.

Research by Zelizer (1994) and Belk and Wallendorf (1990), suggests that the *source* of money may be as important in its categorisation and associated practices as the earmarking, which was Thaler's focus. Another key difference between Zelizer's work and Thaler's is that whereas Thaler research focuses on shared accounting

practices, from a socio-economic perspective culture and structure are integral to money practices and vice versa, and therefore there will be variation in those practices. Zelizer's work (see also Venkatesh 2006) suggests that although the idea that money has varied meanings holds across contexts, and there may be shared practices, the specific categorisations, interpretations and associated rules may vary with context such as class, rôle, and geo-temporal location. For example, the degree of fungibility between particular categories or pots cannot be assumed to be the same – in some cases the categorisation (and non-fungibility) is fiercely defended, whereas in others it is less of an issue.

Zelizer found that money categorisation and associated rules vary, and are learnt from a variety of sources such as advice from magazines, social-workers, family and peers, in what could be termed an apprenticeship. Demonstration of understandings of money categorisation and rules are interpreted as signals of understandings, and therefore of membership or otherwise.

After reading Zelizer's example of prostitutes and their categorisation of monies, what I wanted to know is whether their money categorisation by source and earmarking had affected the prostitutes' pricing decisions, and what the social elements of talking about their money practices in this way might be. This extension into pricing is not discussed, but the questions raised by Zelizer's example made me wonder about pricing decisions in other contexts. Although the literature discussed above suggests possible answers I have been unable to find any literature which specifically addresses these pricing-focussed queries.

Although the micro- money research has focused on consumers' money-meanings and how they inform consumption practices, I suggest that *pricers* may categorise the money potentially earned, and that there may be varied associated mental accounting practices depending on source, form, and earmarking. This has not yet been the focus of any pricing research, but given the perceived importance of money categorisations in consumption practices, it may be a very fruitful area for investigation.

Rather than being an abstracted economic practice, prior research in behavioural economics and socio-economics suggests the possibility that pricing may be informed by money-meanings, and that these meanings, like the meanings of consumption objects, are learnt, and shaped by actual and desired group-membership.



## **2.4 Pricing Practice and Pricers' Money Categories**

### **Introduction**

In the previous sections I considered extant theories of price from economics, finance and marketing, in which money is assumed to be neutral and pricers are assumed to be abstracted. I then discussed alternative approaches to economic practices in which money categorisations and socially-embedded meaning-making are seen as important. As discussed, much of this previously published research concentrates on consumers' practices, whereas my study focusses on pricers' practices.

In this section I concentrate on the small body of literature which suggests that price and money-related repertoires and interpretations of what is appropriate / desirable may vary for pricers, as well as for consumers.

#### **2.4.1 'Irrational' pricing practice**

Not only is saleability itself not inherent in goods, knowledge of such saleability is not given to those who trade such goods. Saleability is ultimately determined by the mental processes of market actors, and the discovery of degrees of saleability is a process of drawing out and interpreting accessible traces of the contextual knowledge of those other minds, rather than uncovering some objective (outside the human mind) piece of information.

(Horwitz 1992, p.196, drawing on Menger)

Poundstone (2010) suggests that consumers' 'irrational' responses to prices are the result of psychological hard-wiring and therefore unavoidable, and that pricers have

evolutionary advantages and behave rationally, by which he appears to mean that pricers *do* obey the axioms of expected utility theory and aim to maximise economic returns. I suggest it is unlikely that producers have a different evolutionary path to consumers. Instead, pricers/producers, like consumers, should be considered both limited and enabled by their cultural capital and interpretive repertoire.

It is possible that pricers, not just consumers, may be using a variety of money categorisations each with particular associated heuristics, rather than using economically optimal decision-making heuristics in which money is treated as neutral. There is a small body of literature noting the apparently irrational pricing practices of some contemporary Western producers, and these are discussed below. None focuses on money-categorisations, but their findings suggest that this could be a fruitful avenue to explore, building on Douglas' observation of the Lele and their use of alternative monies and rates of exchange.

In her study of the Lele, Douglas (1982) pointed out that 'To suppose that prices should be highly responsive to supply and demand is to assume that they are operating in a free and perfect market. But such markets are rare in primitive conditions.' Recent research (e.g. Becker 1991; Morton and Podolny 2002; Velthuis 2005; MacKenzie 2006) suggests that free and perfect markets, and their influence on price, are also rare in modern Western conditions. Instead, as with the Lele, within contemporary Western markets it is possible that the 'issue of social policy restricts the freedom of the market' (Douglas 1982, p.79).

By 'social policy' Douglas is talking not about governmental policies, but about the various patterns of obligation and privilege within the community, and the associated rates of exchange for raffia depending on the transaction:

'The Lele operated three exchange rates for raffia: one applied to internal transactions when raffia was the standard of value but did not actually intervene; another rate, 10-20 percent higher, was applied internally when raffia was used in settlement; a third was used when anyone sought to buy

raffia with francs, but it was prohibitively high. Thus they kept internal prices in terms of raffia low and discriminated against Belgian Congo francs so as to prevent francs displacing raffia. In such transactions there is an appearance of centrally imposed control, but it is deceptive. No central governing body imposes the rates of exchange. The exchange control emerges by the decisions of individuals striving to hold to their position of advantage in a particular social structure.'

(Douglas 1982, p.79)

It is not clear whether the example of the Lele could be said to support Simmel's view that the introduction of money freed people from obligations and market restrictions other than those imposed by not having sufficient money. Although the Lele appeared to be wary that this might be the case (they 'discriminated against Belgian Congo francs so as to prevent francs displacing raffia'), the Lele were using money (Belgian Congo francs) alongside raffia, and used both within existing relationships to reaffirm or test social positioning and ties, and to maintain the 'how it is done around here'. Their pricing varied depending on perceptions of the type of money, the relationship between parties, and the appropriateness of particular exchange practices. That is, amongst the Lele prices (and choice of currency) varied depending on socially constructed rules of 'how it is done', and these rules seem to be constructed in such a way that Belgian Congo francs were incorporated in the maintenance of the established order.

In a more contemporary setting, Morton and Podolny (2002) used a combination of mailed surveys and telephone interviews to collect data on the pricing practices of Californian wine producers, in order to take a useful step in the exploration of the possible importance of non-economic drivers within contemporary Western pricing practice. The focus of their research was on seeking an explanation for the structure of that wine market, where the higher quality end of the market (which they expected to be highly profitable) is dominated by the hobbyist producers who charge lower

prices for their wine than they could. Morton and Podolny suggest that the hobbyists' pricing practice has forced commercial suppliers to leave that sector.

Morton and Podolny's observations of hobbyist wine producers and the way they do pricing is intriguing and useful in that they conclude that some pricers regard overall utility rather than simply economic returns when deciding what to produce and how to set prices. They suggest that this overall utility may include utility gained from some aspects of production, as suggested earlier by Douglas and Isherwood (1996, p.8). Morton and Podolny suggest that

'if the firm produces a high quality product, the owner may value the association with the product. Or, if the firm's activities further some social cause, the owner may derive utility from the cause's advancement. If the additional utility derived from the inefficient features of the firm is greater than the disutility from the lower return, then the owner is willing to subsidize the firm and it can survive in the market.'

(Morton and Podolny 2002, p.432)

The utility-maximising (UM) pricing of the hobbyists is framed by Morton and Podolny as being 'not like' another group's (profit-maximising, PM) pricing practice. This suggests that pricing practices may have group membership uses. In addition, their findings suggest that the money earned from selling wine may have a special rather than neutral categorisation for those hobbyist producers. They point out that UM wine producers within their sample did not talk about quantity, instead they talked about making enough good wine to supply and impress their friends, restaurants, and competitions (p.437). That is, being a UM rather than a PM producer is constructed by these participants as desirable. Their data suggests that the utility may include social cachet and group membership, and might be constructed through interpretations of the meanings of wine production, wine quality, wine pricing, and the associated money.

In an earlier paper, an observation of similar lack of conformity to economic logic had inspired Nobel prize-winner Becker to examine the pricing practices of restaurants, theatres, and sporting events (Becker 1991). Becker's research was prompted by the inability of pure economics to provide a satisfactory answer to an observable pricing anomaly. A restaurant he knows well was experiencing high demand but increased neither its prices nor its capacity. At the same time a neighbouring restaurant was offering the same product (bar the utility of standing in a queue to get in), and for the same price as the popular restaurant, but was nearly empty, and it had not reduced prices to stimulate demand.

In his search for an explanation for these economically irrational practices Becker examines his own response, which prompts him to examine social aspects of the consumption experience, particularly the utility of a queue. He suggests that visible demand from other customers reassures each customer that their taste and choice is acceptable and that the item being queued for is desirable (at that price). That is, Becker focuses on consumers' understandings of price, and assumes that 'demand by a typical consumer is positively related to quantities demanded by other consumers' (p. 1109).

Although this is a useful way of considering pricing, intriguingly Becker does not seem to have asked any of the restaurateurs or theatre managers why they are pricing in the way they are. Becker's hypotheses rely on an extrapolation of his experience as a customer, and that the restaurant/theatre owners share these interpretations and logics. Although it is possible that this is the case, it might be useful to test his theories by asking the pricers themselves. For a study which focuses on social aspects of pricing and does so by talking to pricers, one needs to look at Velthuis' research on the pricing discourses of art gallery owners..

In his research Velthuis (2005) has concentrated on the symbolic importance of art gallery owners' discourses of price and how this extends beyond the economic realm. It is the only body of research of which I am aware which focuses on culturally-constructed aspects of pricing by asking pricers about their pricing

practice. Here the participants' money categories are implicit, rather than made explicit in his findings.

Velthuis (2003; 2005) set out to understand how art dealers in New York and Amsterdam set prices for contemporary works of art. Initially frustrated by the difficulty in getting respondents to answer his questionnaire, he began to realise that instead of the expected economic logics, what he was witnessing was a specific set of richly-textured pricing practices and discourses which specifically prescribed avoidance of what might be considered 'normal' market or economic topics such as profit or desire for sales. That is, to be seen to be interested in money appears to be seen as absolutely inappropriate in this art-pricing context: money from art is categorised as something which should not be discussed. This chimes with Belk and Wallendorf's (1990) discussion of sacred and profane money, particularly in their suggestion that 'profane' money needs to be separated from 'sacred' art. There also appears to be a particular ritual of money re-categorisation (Zelizer 1994) implicit within Velthuis' gallery-owners practices.

In Belk and Wallendorf's paper the 'necessary' separation between art and money/commerce is created by a sculptor's sister doing the pricing and selling, rather than the artist, who, they found, used another approach to separating his art from commerce: he 'would just as soon give his work away to those who showed an interest' (Belk and Wallendorf 1990, p.37). In Velthuis' study the pricing is similarly delegated, in that the artwork is being priced by the gallery owner, not the artist, and it is the gallery owners who create the distance between art and commerce.

Whereas in Belk and Wallendorf's paper the sister appears to be using explicit market discourses and practices ('his sister insisted on achieving the best possible price for each piece' (Belk and Wallendorf 1990, p.37)), these discourses are less visible in Velthuis' study of more elite art-sales practitioners. That is, rather than simply relying on delegation to create separation between art and commerce, the person doing the selling and pricing – the gallery owners - displayed determined avoidance of money- or market-discourses when near the art works, to the extent that

the gallery owners created a physical separation of money and art. For example, Velthuis found that no prices were visible in the galleries, no prices are discussed near the art, and the money-handling happens in a different room to the one(s) in which the art is displayed. This physical separation echoes Belk and Wallendorf's example of current US dentistry practice, where payment is made to an administrator at Reception, not to the dentist themselves in the surgery. Dyer (1989) proposed that one of the main impacts of comparing an object with money (which is a necessary part of pricing) is to change the way the object is categorised: 'the practice of naming-or representing- objects or experiences in terms of money prompts us to act as if such facets of reality are actually commodities proper' (Wennerlind 2001, p.563). It is possible that how one views the 'commoditization' of the object may inform degrees of comfort with explicit commensuration, and inform pricing discourses.

That the distancing-from-money practice observed by Velthuis and Belk and Wallendorf is used in other fields, but not shared by all art-sellers suggests that rules of what is appropriate may vary within a field (e.g. art), perhaps to show status, and that there may be similar rules across different fields (e.g. art and dentistry). The rules shaping pricing and money-related practices are not in fact rigid, even if they may seem to be so.

As mentioned above, Velthuis' focus is on the symbolic nature of the price discourses in terms of their signalling of group membership through a display of particular cultural capital, rather than on money categorisations. However, his findings suggest that art money may be categorised as 'dirty money', and there are particular discourses used to negotiate money re-categorisation.

Within his data one can see that the buyer, as holder of the money, is part of the money-source categorisation. As an example of a re-categorisation practice if the buyer (source) can be categorised as 'good', then this is apparently understood to

mitigate the profane taint the money might otherwise have. Although Velthuis does not draw out this point, the gallery-owners' repeated emphasis in their vetting of particular buyers so that the art is sold only to 'the right kind of buyer' appears to be what Zelizer calls a ritual of money category transfer. The success of the discourse/ritual in achieving category transfer depends on shared interpretation and validation by the other parties.

Within other artworld literature as well as within my data there is much evidence of collusion in this particular 'good home' money-cleaning artworld ritual. For example, Sarah Thornton (2008) discusses how buyers are at pains to display how appropriate they would be as the buyer for the art object. Here, as in Velthuis' study, the categorising of self as 'a good home' appears to be important in both the collusion regarding object categorisation *and* in collusion surrounding the associated money categorisation. The importance of collusion in object categorisation in facilitating object exchange has been explored in for example, work on inalienable goods and singularized objects (Kopytoff 1986; Arnould and Epp 2006; Epp and Price 2010). The idea of price-related collusion, shared expectations, and shared interpretations is potentially important, in that what might from the outside appear to be irrational pricing practices may from the inside appear to be obviously correct and desirable. That is, interpretation depends on interpretive repertoire and knowledge of 'how it is done'.

#### **2.4.2 Economic logic is not the only logic used by pricers**

Whilst there is socio-economic research which moves away from assumptions of economic rationale and studies the cultural and relational uses and underpinnings of *consumers'* money-meanings, there is a paucity of work focussing on cultural and meaning-making aspects of *producers'* money categorisations and pricing practice. Morton and Podolny's (2002) work on wine-pricing, and Becker's (1991) work on restaurant and theatre pricing whets the appetite, in that their exploration of actual rather than theoretical pricing practice provides support for the idea that pricing is



not necessarily always economically-led. However, as they point out, there is need for much more work in this area.

Extrapolation from pricing-practice work by Morton and Podolny, and Becker, and in particular from Velthuis' (2005) gallery-pricing research suggests that money and object categories and the rituals of category transfer may be important in enabling and constraining pricing practice. They appear to be potentially important elements of price discourse, and discourses of price are used as a way of displaying a shared cultural capital or knowledge - what Schau et al (2009) refer to as context-specific 'know that' and 'how to'. I turn now to a discussion of the literature of 'know that' and 'how to' within art pricing.

## **2.5 How It Is Done Around Here: The social function of market discourses**

### **Introduction**

Instead of considering pricing as something done by abstracted individuals, pricing may be considered as being shaped by understandings of how it is done around here. This builds on the underpinning idea that economic actors are necessarily also social actors, and is linked to Consumer Culture Theory research which shows that consumption practice 'know that' and 'how to' perform social functions. I hypothesise that pricing 'know that' and 'how to' perform social functions, and this consideration of social function may play a significant in pricers' choice. That is, pricing discourses are a demonstration of interpretation of 'How someone like me prices an object like this, in a context like this.'

In this section I consider literature which sheds light on the contextual 'around here' aspect of pricing, which in this research is a small section of the art world (Becker 1982), or as it is commonly referred to within the context, the artworld. The socially

important membership-enabling function of artworld market discourses is supported in work by for example, Alan Bradshaw (2006; 2007), Elizabeth Currid (2007) and Sarah Thornton (2008). This literature demonstrates and discusses how the choice of what is said, when, and how, is used as a way of separating, grouping, and sifting people into ‘like me/us’, and ‘not like me/us’.

I begin with a small section which looks at pertinent but non-art literature which considers the idea of ‘how it is done around here’. I then move onto a consideration of the art world and art object, in order to explore extant understandings of ‘How it is done around here with an object like this’.

### **2.5.1 How it is done around here**

Resonating with CCT research regarding the social importance of market-related ‘know that’ and ‘how to’ (Schau, Muniz Jr et al. 2009), Venkatesh’s study of the underground economy in a Chicago ghetto found that there ‘were codes in place’, and ‘regulations which had existed for decades’ (Venkatesh 2006, p.376). These ‘unwritten standards’ shaped which transactions were carried out, and how. Venkatesh also found that there were social and economic penalties for those who transgressed ‘this code of conduct’ (2006, p.155).

Although Venkatesh did not look closely at the unwritten standards of pricing within his research context, work by Velthuis’ (2005) and Morton and Podolny (2002), suggests that within various contexts there may be shared ideas of ‘how pricing is done around here by someone like me’. Whilst there is little work looking specifically at pricing practice, there is a large body of work exploring other economic actions as embedded rather than abstracted practice, and these provide useful suggestions re the positioning and group-membership uses of market practices. As argued within the canon of CCT and socio-economics literature, e.g. Bourdieu, Weber, Arnould and Thompson, Douglas, and Venkatesh amongst others, economic actions appear to be informed by social aims, knowledge, and the specific context of the actors and action. That is, they are not purely economic maximising

practices. Indeed, in some circumstances seeking economic maximisation may lead to being ostracised or even physical harm (Venkatesh 2006).

Whereas some socio-economic approaches concentrate on the networks within which the economic action takes place (for example, see MacKenzie cited earlier, and the Actor Network Theorists, in which non-human elements are also considered), here I am interested in the related topic of the social and cultural aspects of the actors' milieu, particularly the idea that 'Culture sets limits to economic rationality' and 'provides scripts for applying different strategies to different classes of exchange' (Zukin 1990). According to Bourdieu (1984), these scripts are learnt and shared over time, they are fluid and negotiated, and are interpreted as signals of particular habitus and class. Extending this idea suggests that pricing practices and discourses of price could also be considered to be learnt scripts which could be seen as signals of habitus and class – and therefore of group membership. Rather than every pricer choosing from the same range of options and interpretations, members of different groups will have different understandings of 'the way it is done around here', and these will be constantly subject to negotiation. That is, the effects of 'the class condition' on market practices may extend beyond consumption.

As Veblen and later Bourdieu suggested, 'preferences are determined socially in relation to the positions of individuals in the social hierarchy' (Trigg 2001, p.99). I suggest that it is possible that *pricing* preferences and discourses may be determined socially in relation to the positions of individuals in the social hierarchy. Distinction and group membership may be achieved through demonstration of a disposition towards and appreciation of certain pricing practices and discourses in particular contexts. Differentiation could be expressed through criticism or distancing of self from other's pricing practices, as in the Morton and Podolny (2002) study. I suggest that interpretation of 'how pricing is done around here by people like me with a product like this' is a potentially key aspect of what is generally considered an economically-rational action.

Cultural consumer research (e.g. Arnould and Thompson 2005; Arnould and Thompson 2005; Luedicke 2006) suggests that market practice choices are learnt and often emulative/aspirational, and are chosen through exposure to a variety of options and interpretations. As Bourdieu (1984) and Trigg (2001) point out, the sending, learning and interpretations of codes and practices are mostly unconscious acts, and depend to an extent on upbringing: those who get it ‘wrong’ may lack the social upbringing and contact that is required for a thorough appreciation of the potential nuances of various approaches. What is considered ‘right’ by one person in a particular situation may be considered ‘wrong’ in another situation, or by someone else. Practices appear to be shaped by unconsciously felt social pressure- an idea of what is expected – as much as by conscious decision-making or logic. Practices (and I suggest these may including pricing), and the interpretations of those practices have to be learnt, they are not ‘natural’.

Practices such as adopting the rôles and relationships of seller and buyer, producer and customer, are performed and recognised through shared understandings and normative rituals. Money classification and discourses of price can be part of these rituals. For example, as Zelizer (1994) showed, tips or the Christmas bonus are rituals of hierarchy and rôle maintenance – the money categorisation is both shaped by and shapes understandings of the rôle and social position of the different parties involved.

The idea that money practices can be seen as meaning-full social actions is important. Although a competitor-related pricing strategy (as discussed in the first section) is based on ‘the going rate’, rather than on demand or costs, what is not mentioned in the teaching literature is that what is considered the going rate and whether it is understood as relevant will depend on interpretations of field, sector, market leader, available options and their likely effect. Both Bourdieu and Kopytoff suggested that producers are more likely to look at other producers than at consumers when deciding what to do, which suggests that pricing strategy (indeed

even whether it is called a strategy) may be shaped by the idea that ‘this is how people (or organisations) like us do it’.

As previously discussed, Morton and Podolny (2002) suggest that the reason for the economically irrational pricing practice of hobbyist wine producers is that they are getting some utility other than profit from taking part in that market. This is an important finding for their purpose – an exploration of market composition – but it could be usefully extended, in that their research suggests that the hobbyists price in the way hobbyists round here do. That is, as with Velthuis’ gallery-owners, the wine producers’ choice of production and pricing practice signals membership of a particular and desirable group of producers. Importantly, Morton and Podolny’s research suggests that the hobbyists are economically constrained by their understanding of what is the appropriate way for people like me with a product like this to do pricing around here. This seems particularly likely given that Morton and Podolny found that prices (when adjusted for quality) decreased over time, which suggests that new hobbyists learnt that their original high prices were not ‘how it is done around here’ (p.432).

In the case of the wine producers the choice of pricing approach could be its use in group membership, defined by distancing from commercial producers, in part by *not* pricing to maximise profits, which is categorised as pricing in the way commercial producers do. The choice of pricing approach could also be used as a signal of cultural capital – through a lower price the pricer is suggesting that their family has owned the winery for some time, so they have accrued ‘know that’ and ‘know how’ (Morton and Podolny 2002, p.432), and that their ability to recognise and produce a good wine (Barthes 1972; Bourdieu 1984; 1993) is more important to them than economic gain.

I suggest that, just as with Velthuis’ study, there would be an element of social positioning and consideration of desirable response involved in the responses to the Morton and Podolny questionnaire and interviews. The product, the related price/money categorisations, discourses and associated behaviours appear to be used

by the wine producers to create the ‘utility’ of distinction and group membership, which suggests that these aspects within pricing are worth further investigation.

In Becker’s (1991) work on why restaurant and theatre pricing does not appear to vary in response to visible changes in demand, Becker says that ‘along with many others, I have continued to be puzzled by such [apparently irrational] pricing behavior’. I suggest that in his research context particular pricing practices appear to have become ‘the way it is done around here’, but rather than enabling economic profit, which an economist would assume would be the motivation for engaging in the market, the practices appear to constrain maximisation of resources.

Whereas Thaler suggests that *consumers* consider acquisition utility and transaction utility, where the ‘former depends on the value of the good received compared to the outlay, [and] the latter depends solely on the perceived merits of the ‘deal’’ (2008 [1985] (1985), p.19), I suggest that those doing the pricing may have similar considerations – that is, that the ‘deal’ can have merits beyond economic considerations - and that, as suggested in the consumption literature there may be other considerations, constraints and benefits surrounding the transaction. Whereas in economic theory the catch-all concept of ‘utility’ is often enough, in socio-economics and marketing theory this is the beginning – what is interesting is how what is considered utility varies, and how it is constructed.

## **Summary**

Insights from Consumer Culture Theory and Socio-economics suggest that ‘the way it is done around here’ in pricing practice and discourse will involve categorisation of object, money, and commensuration, and that this will be informed by existing group membership and desired group membership. Importantly, understandings of ‘appropriate’ action and interpretation are learnt, not necessarily through formal study, but rather through prolonged exposure and observation (Bourdieu 1984; Venkatesh 2006, p. 162, p. 401). They therefore depend to a large extent on upbringing and milieu.

Although an exploration of market behaviours and discourse-meanings as hierarchy/membership-centred practices is central to CCT research, and has begun to be applied to producer research ((Peñaloza 2000; Peñaloza and Venkatesh 2006; Thompson and Tian 2008; Parsons 2010) this approach is as yet notably lacking in the pricing literature. However, previously published literature (notably Morton and Podolny 2002; Velthuis 2005) suggests that pricing and money discourses and interpretation can be used and seen as a signal of desired or actual membership and non-membership, and that this is an avenue worth exploring further.

In the next section I consider what we know about ‘how it is done’ within the artworld, focussing on literature which discusses pricing the art object.

## **2.5.2 Pricing the art object**

### **Introduction**

Having considered the literature on money and commensuration, and the idea that economic action may be informed by understandings of ‘how it is done around here’, here I consider the construction of the specific type of ‘object’ being priced, and the ‘how it is done around here’ for pricing that type of object.

I have already touched on the importance of Consumer Culture Theory and the work of foundational writers such as Bourdieu in considering the social and cultural construction of object. Here, in order to focus on the construction of the types of object being considered in this study, I move away from pricing and money in general to consider what has already been written about *art* pricing and prices.

### **Pricing Art**

The art world may be considered an extreme example of a pricing context. However, it is important to consider four points which might apply to any pricing context:

The first point is that the definition of art, as with the definition of other cultural objects, is socially constructed. That is, ‘art’ and ‘not art’ are not inherent properties of the object. The dominant Romantic categorisation of the object being priced as sacred or incommensurable (in large part because it is viewed as containing the artist – and perhaps because it is understood as having been ‘made from the impossible exchange of signifier and signified’ (Baudrillard 2001, p.126)) is a construction, and therefore subject to alternative interpretations and change.

Secondly, the object may dip in and out of categories. Kopytoff (1986, p.69) suggests that items can fall into multiple categories at any one time, and that all objects become a commodity during the point of exchange.



The third point is that for any object being priced there may be corollary 'rules' or consequences of a particular object categorisation, and these rules are also a construction. For example, the rules of the 'correct' degree of overlap or separation from the market, and the associated money categories are socially constructed, learnt and negotiated, they are not inherent properties of the object, money or the exchange.

Finally, being able to use the 'correct' categorisation and commensurative practices and discourses for that category object may be a source of power. Being able to dictate what is the 'correct' way is even more so.

#### Art as incommensurable sacred object

The 'sacredness' of art is not unique - other items can be constructed as singular/inalienable/sacred at any time. The idea that art is a special type of object, even a 'holy' (Abbing 2002) or sacred object, which should be treated differently from other objects is often taken for granted, yet is a construction, it is not nature. Although the dominant construal of 'art' currently involves some degree of uniqueness and removal from the market, this is a construction, not fixed. So, whilst Velthuis' (2005) and Belk and Wallendorf's (1990) discussion of sacred art and profane money are very useful examples of the dominant view, particularly in their suggestion that art world practitioners treat 'profane' money as ideally treated as separate from 'sacred' art, it is important to consider that the categorisation of the object (art) and money and the 'naturalness' of the corollary rule that they should be separate is potentially subject to challenge from other interpretations.

The dominance of the contemporary Romantic view that the arts should be outside or beyond the market is well documented - (Hadjinicolaou 1973/ 1978 trans; Becker 1982; Kopytoff 1986; Warnock and Wallinger 2000; Abbing 2002; Harris 2004; Stallabrass 2004; Bradshaw, McDonagh et al. 2006; Bradshaw and Holbrook 2007; Grenfell 2007; Thompson 2008; Thornton 2008). Although it is dominant, this does not mean that it is not contested, as demonstrated by academics such as Gramp (1989) and commentators such as Parks (2011) .

In his study of art pricing Grampp tests and dismisses the theory of ideal separation, other art-pricing researchers assume distance is the appropriate relationship with the market. I begin with Grampp's dismissal:

In Grampp's (1989) application of neo-classical economic theory of economic maximisation to explain art prices he states that making his case convincing is 'uphill work'. This difficulty, he says, is because the Romantic myth that art is outside the market is what people believe; however, his analysis shows that it is *not* what they do. Gaining acceptance for his suggestion that economic maximisation is the underlying principal in pricing art is uphill work because

'it seems to go against the grain - the grain being the anti-market mentality, a subdivision of the anti-materialist view of how people ought to behave. A noticeable part of this book is about the anti-materialist view because it has affected much of what has been said about art.' However,

'The view has had much less effect, if any at all, on what most painters, collectors, dealers, museologists, and government functionaries actually have done and continue to do than it has had on what they say.'

(Grampp 1989, p.9)

Whereas Grampp finding that the anti-materialist view has had little effect on what pricers actually do is based in secondary data and a dismissal of 'what they say', field-based research such as Thornton's (2008) or Velthuis' (2005) suggests anti-materialist aspects within what pricers say is very much a part of what they do, and such discourses are an important part of pricing practice.

Grampp suggests that art is treated in the same way as any other commodity, and that although art may be spoken of as separate from market aims in fact materialist aims are the norm. Kopytoff however has a different approach. Kopytoff (1986) explains that although within contemporary Western culture art is (or should be seen as) a singularized object and therefore kept separate from the marketplace, this is a reflection of a moral economy (*ibid*, p.64), not of fact. The ideal of singularity is a

way of understanding which is shared by many, but not necessarily for ever, nor held by everyone now. As Espeland and Steven (1998) point out, commensuration, including the idea that something is 'priceless', i.e. separate from the market, is a mode of power. This suggests that perpetuation of the anti-materialist 'sacredness' of art as a desirable discourse is and continues to be of benefit to some people, and that the beneficiaries, like the more powerful Lele individuals in Douglas' study (1982, p.79) may seek to dissuade others from using alternative interpretations and practices.

The question Velthuis (2005) asks is why an anti-materialist 'sacred art' discourse is seen as appropriate amongst the gallery owners he interviewed. Whereas he points to group membership and signalling uses of price discourse choice, Hatton and Walker's (2003) socialist (and not necessarily conflicting) reading of the context emphasises the hierarchical and economic power aspects of group membership. They suggest that maintenance of a set of rules regarding what is art and how it should be treated and sold enables the superstructure (in particular key artworld members such as Charles Saatchi) to make profit from the micro-economic base (the artists). Hatton and Walker suggest that it is to Saatchi's economic and social benefit and to the benefit of people like him, that the hierarchy in which he has achieved an elevated influential position is maintained.

In order for the hierarchy to be maintained one needs others to apply a similar discourse and interpretive repertoire. In trying to understand why artists would choose to use the discourses which prevent them from earning money and which therefore continue to restrict their place in the economic and social hierarchy, Abbing (2002) suggests that artists and economists speak different languages as a result of differences in cultural capital – the economists know more about economics, and the artists know more about art.

Whilst economists and artists may indeed have a different range of knowledge, their choice of discourse is also linked to their interpretive repertoire. That is, choice of discourse is not a case simply of what one knows, but also of what one feels is

appropriate, desirable or 'rational' in a given circumstance. The artists choose to use and perpetuate the mythology of art as something 'holy', rather than use economic logic because it is the 'right' thing to do. It is 'how it is done around here', and implies membership of a desirable group. Although when viewed from the outside the artists have made a discursive choice, and therefore choice is possible, the dominance of the Romantic myth which gives a template of 'this is how it is done' appears to be largely uncontested. However, 'One hundred years ago this tendency [to deny any market involvement or interest] was less evident, and perhaps this style of denial has already passed its zenith. Whether it has or not, this kind of denial will continue to influence the economy of the arts for a long time to come.' (Abbing, [www.hansabbing.nl/DOCEconomist/SUMMARY.pdf](http://www.hansabbing.nl/DOCEconomist/SUMMARY.pdf)).

In an art context the use of the ideal anti-materialist discourse is a signal of particular group membership. It is a demonstration of cultural capital and habitus, which are part of the class condition (Bourdieu 1984), and whilst the users may declare lack of interest in economic gain, other interpretations are possible. Using an interpretation based in the marketing mix, one could say that Velhuis' gallery owners are using discourses of price as a promotional tool to position the product and the place within a particular luxury segment, supporting the price asked. In this the gallery owners are informed by and tap into particular shared interpretations of the meanings of the discourses and practices. At the same time the gallery owners are active in confirming the validity and desirability of that discourse, and in shaping future interpretations. The discourses work as a positioning signal, whose meaning is fluid and negotiable but shared (or at least sufficiently shared) by the target audience.

### Hierarchy of art objects

Although for ease of communication there may be a tendency to treat art as one type of object, it is a broad category, and there is, as within other markets, a perceived hierarchy and a variety of ways of constructing and interpreting the hierarchy. Although positional specifics appear to be context-dependent, the idea of hierarchy within art, as with hierarchies of other objects, is very common. Grampp suggests

that prices differ according to the aesthetic value attached to the objects, but the construction of the aesthetic hierarchy and positions within it are subjective (Grampp 1989, p.16). As he and later Hatton and Walker (2003) point out, echoing Bourdieu (1984), opinions re what is 'good' and what is not are frequently stated as fact, and the power of specific taste-makers cannot be ignored.

Velthuis' (2005) study gives another insight re the relationship between aesthetics and price: Amongst Velthuis' gallery owners there appears to be a pricing logic based on objective factors which is nestled inside the subjective aesthetic framework. As in studies by Thornton (2008) and D. Thompson (2008), Velthuis' gallery owners mentioned size and materials as key factors, rather than aesthetics. According to Velthuis even if one picture is seen by the gallery owner as being notably 'better' than others of the same size it may not be priced differently, as that could be understood to suggest that the other pictures are less good. Velthuis discusses how within each artist's oeuvre there is a price rationale based on objective relationships. That is, price varies with size and the materials. For example, price goes up with size and oils are more expensive than watercolours, for example. Within the artworld this objective and culturally constructed as relevant rationale is seen as 'natural'. Importantly, Velthuis (2005) found that the starting point, or the framework within which the prices ranged, was not discussed, and the gallery owners appeared to actively avoid discussions with him regarding a comparison of the aesthetic or 'sacred' aspect of one picture versus another.

Importantly, the tastes and assessment of relative value by taste-makers such as civic galleries, private collectors, commercial gallery owners and art critics are subject to change and influence. Tastes and interpretations of whether one object is 'better' than another is learnt and will vary from person to person, and over time:

'One could in fact posit that two people whose habitus are different and who have not been exposed to the same conditions and stimulations (because they construct them differently) do not hear the same music and do not see the same paintings and cannot, therefore, arrive at the same judgment of value'

(Bourdieu 1987, p.209).

Intriguingly, Benjamin seems to ignore the effect of taste-makers such as critics when discussing the reactions of the masses to non-reproduced works of art ('Although paintings began to be publicly exhibited in galleries and salons, there was no way for the masses to organize and control themselves in their reception. Thus the same public which responds in a progressive manner toward a grotesque film is bound to respond in a reactionary manner to surrealism' (Benjamin 1999 (1936), p.228). Instead, he suggests that the 'mechanical reproduction of art changes the reaction of the masses toward art. The reactionary attitude toward a Picasso painting changes into the progressive reaction toward a Chaplin movie. (...) The conventional is uncritically enjoyed, and the truly new is criticized with aversion' (*ibid.* p.227). There is, however, a significant body of literature highlighting and discussing the role of particularly influential individuals in constructing desirability within the art market. These range from for example research documenting the influences on and influence of sixteenth and seventeenth century royalty on the development of contemporary arts (Millar 1972), to literature discussing the power of contemporary critics and collectors such as Charles Saatchi (Becker 1982; Hatton and Walker 2003; Thompson 2008). As Currid (2007) puts it,

'Cultural value is not just an economic act but instead part of an intense social process of valorization and legitimization. Art/culture is socially consumed and socially aware. Economic value is determined by intangible (and ephemeral) social value formed from and within specific contexts by particular people, the 'scene', so to speak.'

That is, despite the theoretical multiplicity of possibilities for idiosyncrasies of taste, tastes can be broadly shared amongst groups of people, as Bourdieu's (1984) study of class distinction through aesthetic appreciation demonstrated.

As Velthuis' (2005) gallery-owners point out, reputation – the result of approval by taste-makers or 'the scene' (Currid 2007) – is treated as a key factor in price.

Therefore influencing taste and through this influencing markets is an issue of power. Benjamin suggests that new forms of art production – photography and in particular cinema – were a challenge to the extant power structures, in part because they could be thought of as having transformed the function of art:

‘For the first time in world history, mechanical reproduction emancipates the work of art from its parasitical dependence on ritual. To an ever greater degree the work of art reproduced becomes the work of art designed for reproducibility. From a photographic negative, for example, one can make any number of prints; to ask for the ‘authentic’ print makes no sense. But the instant the criterion of authenticity ceases to be applicable to artistic production, the total function of art is reversed. Instead of being based on ritual, it begins to be based on another practice – politics.’

(Benjamin 1999 (1936), p.218)

That is, whilst hitherto the function of art had revolved around cult or ritual use, in which the art object is largely hidden from the masses, the integral reproducibility of photography and film means that it can be seen by all: this type of work is eminently fit for exhibition. However, ‘cult value does not give way without resistance’ (*ibid*, p.219)

Whilst there have been debates regarding the ‘legitimacy’ of photography as an art form since the nineteenth century, ‘the primary question – whether the very invention of photography had not transformed the entire nature of art -was not raised’ (Benjamin 1999 (1936), p.220). Instead, the fight for artistic legitimacy for photography and cinema has, he argued, tended to concentrate on showing how photography and cinema meet the ‘ritual elements’ criteria of art, rather than challenging the criteria.

As Stallabrass (2004) shows in his discussion of the control which big business, roaming curators, and art critics have on prices and on what is considered ‘art’, the issue of the power of collector/dealers such as Charles Saatchi cannot be ignored. It

is not only the rules of commensurability and commensuration (as in Espeland and Stevens (1998)) which are fought over, but also the closely related right to decree what is and what is not ‘art’, and what is and what is not ‘good’.

Texts such as Barthes’ *Camera Lucida* (Barthes 2000 (1980)), and Benjamin’s *The Work of Art in the Age of Mechanical Reproduction* (Benjamin 1999 (1936)) may influence and inform not just art makers, but also those higher up the artworld hierarchy. If those with influence approve, this trickles down, so that art tutors recommend and request that their students should read these texts. Being a winner in the validating and taste-making hierarchy gives the power to influence what gets read, what gets made, and what get shown and seen in galleries and biennales (Stallabrass 2004), which has a knock-on effect on prices.

## **Summary**

Following the suggestion that within contemporary Western contexts art seen as sacred and the market as tainting (an idea which is explored or implicit in the vast majority of art-related texts and discourses I have examined during this research, such as Grampp (1989) and Belk and Wallendorf (1990)), then the idea that culture ‘proscribes or limits market exchange in sacred objects and relations . . . or between ritually classified groups’ (Zukin 1990) becomes particularly pertinent. However, it seems worth exploring whether art is *always* seen as sacred within pricing contexts, and whether there is variety in the ways that market exchange is proscribed or limited.

Not only is the object and its desirability culturally constructed, but the ‘purpose’ of art and the appropriate relationship to the market is too. As Bourdieu (1984) and much CCT research suggests the way one experiences and interprets market artefacts and practices are socially informed, and I suggest that market artefacts and practices such as money, price and pricing are similarly socially-informed. One would therefore expect variation: some pricers will see some art objects as closer to the



market than others, and the perception of distance, whether it matters, and the rules associated with the position will vary.

### **2.5.3 Practitioner-led art-pricing literature**

Given that the literature discussed above suggests that interpretations and discourses – including those to do with price and pricing - are learnt, not nature, in this section I move away from consideration of literature which observes artworld pricing practices to look at the ‘how to do pricing’ approaches within literature easily available to the research participants.

Within the research context there is limited literature aimed at teaching artists and gallery owners how to price. Where available the pricing advice appears very similar to that for other retail products in its emphasis on the need to consider and cover costs, to use a consistent strategy, and to be aware of competitor pricing practice. This comparison is emphasised, even though the idea of one piece of art being comparable to another is anathema to many artists, as a prime requirement of ‘art’ is that it is unique. To give a representative example, the section below is from Annabel Ruston’s book *Starting up a Gallery and Frame Shop* (2007), which I found on a display stand in the Quiet Room at the local university’s arts faculty library. I include the title rather than simply citing the date, as the title is a useful indicator of the target audience and content, in that it considers a variety of types of art and art-related items.

Ruston is an editor for the Fine Art Trade Guild publications, and gives advice to guild members directly and through trade journals. She could be considered an ‘expert’ in the field, endorsed (at least to some extent) by the university’s profiling of her book. Here she states that:

‘There are three basic types of pricing strategy:

1. High end - prices are set above market levels because of exclusive products, staff expertise, excellent customer service, and established

reputation for style and upmarket appeal. Profits rely on good margins rather than high turnover.

2. Medium - the retailer sticks to average recommended retail prices and wins customers on the basis of location, product range, friendly atmosphere etc.

Turnover and margins are balanced.

3. Low end - prices are below market levels to compete for higher volumes of sales. This requires tight stock control, clever buying policies, low overheads etc.

Whatever your pricing niche, you (and your staff) need to feel confident that your prices are 'fair'. If high, you need to know that your customer really is getting the added value, if low you need to make a profit and know that your customer is getting a good deal. If your prices are higher than those of competitors you must make it absolutely clear why, and what type of value your customers are getting for the added price they are paying.'

(Ruston 2007)

This pricing advice is based on comparison with other art galleries, and aimed at those who are buying in and selling on stock, and assumes that profit maximisation or consideration, rather than on what Morton and Podolny term 'utility' maximisation, is the primary aim. To this extent it treats art as a profane commodity, comparable with other art objects, and considers how the price might be interpreted from the consumer's point of view. Although at first glance this seems useful advice, the central concept of 'value' is a nebulous one. She gives a number of examples of what might be included in this for each category of gallery, such as excellent service, location, atmosphere, and 'good deal'. These are themselves culturally constructed, and culturally constructed as appropriate and relevant.

Ruston points out that the decision regarding how visible to make the prices is an important one (p.191), however, the price-discourse rules followed by Velthuis' gallery owners are not taught in this book. Whereas Velthuis' gallery owners go to great lengths to create a separation between profane market and sacred art, Ruston

suggests (see quote below) that the decision to remove pricing information from the art work is for a more commercial reason: the practice of pricing discretely ('how it is done') is because consumers will 'be frightened away' if they see the price without explanation. However, she acknowledges that there may be alternative interpretations of the pricing practice:

'top-end art galleries often do not display prices at all, because they want to engage people in conversation about price and are worried that if they see a price tag without guidance from gallery staff they might be frightened away. Some people dislike this technique and feel that if the prices were reasonable the gallery need not be afraid to display them, so this practice might alienate some customers. If prices are not clearly displayed people are more likely to presume that they are negotiable, which is, in fact, often the case with expensive works of art.'

(Ruston 2007, p.191)

In their conversations with Velthuis the gallery owners suggested that they want to engage gallery visitors in conversation in order to see whether they are 'the right sort' (that is, they will use similar discourses and through this maintain both the sacred status of art and the desirability of that discourse), whereas in her 'how to' lesson Ruston suggests that the lack of visible prices is a high-end practice and a commercial ruse, used specifically in order to engage in a price-centred conversation. What 'guidance' the gallery owners might provide, and how it should be done, is unclear in Ruston's account, although the inference is that it involves teaching the 'correct' interpretation of the price.

As well as price varying with category of work (for example Ruston divides objects into, for example, original artwork, artists' prints, prints), the availability and type of pricing *advice* appears to vary by type of art being priced. For example, in the university library used by many local artists including many of the research participants there were a number of books aimed at artworld practitioners such as gallery-owners, photographers, 'design professionals', film-makers, fashion

designers, and animators, and these included clear business advice, but there were very few books aimed at ‘artists’.

The books aimed at artists tended to focus on how to make money in aligned spheres such as curating, art writing, or by getting a grant or artist-in-residence position, rather than on pricing their output/art work itself. I suggest that this variation in availability of how-to-price-art information is a performance of a particular ideology, the Romantic myth, in which art should be from the soul, not tainted by commerce. The dominance of this myth, and the importance of ‘correctly’ negotiating it has been the topic of a number of art market studies (Bradshaw, McDonagh et al. 2006; Bradshaw and Holbrook 2007; Thornton 2008). However, ‘how to’ rules are subject to flux, as discussed in John Harrington’s book on photography pricing:

In *Best Business Practices for Photographers*, John Harrington points out that ‘Although ten years ago resources were few and far between to help you come to **reasonable and logical** conclusions about rates, they are abundantly available now in books, online, and in software specially designed for photographer’ (Harrington 2007, p.41, my emphasis).

He then points to sites such as the National Press Photographer’s Association online CODB (cost of doing business) calculator, which pre-populates the page with various cost categories. This representative example of the photographic pricing literature is a very explicit demonstration of ways in which rationales for reasonable and logical rates are shared and constructed, and is in direct contrast to Ruston’s far less specific art-pricing advice. In *The Visual Artist’s Guide to Surviving and Thriving* (Butler and Padwick 1992) there is no pricing advice, despite the acknowledgement that ‘sales are obviously important or essential to cover the costs of preparing for the exhibition and to bring in some kind of income for your work as an artist.’ (p37).

### **Practitioner-led literature Summary**

Although some of the practitioner-facing how-to-price literature for this field is in many ways very similar to general pricing literature in its exhortation to cover costs, make a profit, and to ‘become thoroughly familiar with typical mark-ups in your field’ (Ruston 2007, p.124), some of the literature is notably fey about price and pricing, avoiding even the objective parameter ‘know-hows’ and ‘know that’ (Schau, Muniz Jr et al. 2009)’ such as size and materials that are part of the widespread arbitrary cohesiveness of art pricing.

Discursive know-how is not mentioned explicitly, but different approaches are implicit in the examples of the texts, and are part of the enculturation in which certain scripts or schemes of thinking and acting become regarded as the right way to do pricing in a particular context, and they become understood as the obvious way to act. Velthuis’ (2005) study of gallery owners suggests that pricing ‘know how’ and ‘know that’ discursive displays are very important in terms of signalling one’s position and testing or educating the customer, but although the importance of educating customers is mentioned by Ruston, what they are to be educated in, and how to do this is not.

In contrast to Velthuis’ findings from discussions with gallery owners, Ruston’s (2007) and Harrington’s (2007) approach to pricing has more in common with the other marketing or financial literature, in that their ‘how to price art’ guides treat money as neutral. That is, ‘money-from-art’ is treated as non-problematic, and there is no discussion of ‘the right sort of buyer’ – although there is a discussion re different sorts of buyer and their price-related preferences. In both Ruston and Harrington, money earned is earmarked to cover costs and make a profit. This is in contrast to Velthuis’ findings, which suggest that money from art and from the art-buyer falls into a special category or categories, and therefore requires specific discourses. Whether money from art is treated as problematic or not may be used as a positioning device, and the discourses Ruston uses in her gallery or in conversation with an interviewer may well be different from what she uses when writing a ‘how to’ guide.

#### **2.5.4 Pricing as socially meaning-full practice**

Previously published research suggests that understandings of ‘how it is done around here’ inform consumption practices, and appear to matter in some production-side behaviours too. Importantly, the small body of research looking at pricing as a practice (e.g. Morton and Podolny 2002; Velthuis 2005) suggests that the ‘how it is done’ aspect of pricing is worth examining further, as there appear to be learnt meaning-full shared ways of ‘doing’ price. That is, not only is the object and its desirability socially constructed, but the appropriate relationship to the market and money is also socially constructed and socially meaningful.

In this section I examined the literature surrounding the construction of the art object and its relationship to the market and price. I then compared this with the artworld ‘how to’ literature and advice locally available to the research participants.

Within the practitioner-focussed ‘how to’ literature money is ostensibly treated as neutral, yet the degree to which money and pricing is ignored or explicitly mentioned within the literature suggests that it is far from neutral in this field, and that there are implicit rules which participants are expected to know or register.

Although there may be dominant discourses of ‘how to do art pricing’, as in Velthuis’ study, it seems likely that access to and interest in particular ‘know how’ and ‘how to’ information will vary amongst pricers in this and in any field, as pricers, like consumers, are socially and culturally embedded (Barthes 1972; Bourdieu 1984). It is this potential for socially-led variation in pricing discourse that is the focus of this research, building on and extending Zelizer’s work on the social meaning of money.

**Key Terms: a definition and differentiation of the key theoretical terms that this project draws upon.**

The key terms discussed in this extended glossary are Price, Money, Value, Exchange, and Meaning. It draws on the literature above with the addition of a broader literature which was not discussed earlier in order to maintain the thrust of the thesis, but which warrants reference, notably the literature on gift exchange, cultural theories of exchange/value, and semiotics of price.

### Price

This thesis explores the discourses of producers as they talk about choosing a price for their objects. Following the practice of Venkatesh (2006), Zelizer (1994; 1994) and Velthuis (2005) in which price is used to mean ‘explicit money measurement’ (Velthuis 2005, p.2), in this study price is the ‘precise and (..) public number’ (Simmel, cited in Carruthers and Espeland 1998, p.1388) chosen by the participants for their items in advance of the selling moment. That is, it is a money price such as £4.99 attached to an item by placing a price sticker on the item itself, or on the wall or shelf edge on which the item is displayed, or by supplying a price list. The price could be said to be a direct reference to commerce, in that it signals that the object is for sale, and for that amount of money.

Beyond the idea that price is a precise and public (money) number, prices can be understood as saying something: they ‘differ along quantitative but also along qualitative lines’ (Velthuis 2005, p.8). That is,

'To monetarize means to attach monetary value to something. Another way that money acquires and bestows meaning relates to the consequences of monetarization. Sometimes, these consequences are deeply symbolic.'

(Carruthers and Espeland 1998, p.1397)

Whereas Perinbanayagam (2011, p.117), suggested that money bestows meaning on a person through their ownership of particular quantities of money Carruthers and Espeland suggest that money may bestow and acquire meaning in many more ways, particularly through pricing. Putting a price on something makes the connection of object with money explicit. This explicit connection, and the process of considering how much money should be associated with the object, may be far from neutral to those involved in the process of pricing, because money may be understood as having, acquiring, and bestowing meaning.

Previous research has explored some areas in which the act of monetarization is seen as very meaningful, notably where a connection with money is seen as inappropriate, and this inappropriate linkage is reflected onto those involved as well as onto the object being priced and the money itself. For example, Espeland (1984) discusses the symbolism of the pricing of human blood and organs, Zelizer (1994) explores the symbolism involved in 'pricing the priceless child', Kemp and Bury (1999) discuss selling friendship, Hornborg (1999) deplores the destruction of the biosphere because of our willingness to price what we should treat as a priceless (incommensurable) environment, and Bradshaw and Holbrook (2007) discusses the Romantic anti-commerce ideal within the arts. In this study I examine pricers' discourses of monetarising or choosing a 'precise and public number' within the context of pricing art objects, in order to explore the social meanings of pricing.

As discussed in the Price chapter of the literature review, there are many ways of understanding and arriving at money prices, such as the costs-plus-profit model or the arbitrary cohesiveness of pricing 'scripts' and reference pricing. Prices are part of a wide, co-constitutive system of meaning, or a 'complex of cultural values' because, as Marx (1970 [1859], p.66) suggested, 'Goods are not only signs of currency values, but also of other goods' (Rey 1987, p.35) – that is, prices show something about the perceived relationship between all things. Simmel suggested that a price is decided by the pricer 'in accordance with his own or the average interest in the object' (Simmel 1978 [1907], p. 92), which contains two key ideas: the first, that the



pricer will have some means with which to assess their own interest in the object, and perhaps compare it with their assessment of average interest, and the second, that they will be able to convert 'interest in the object' into monetary terms.

Importantly, prices may also be understood to be 'the product of conflicts of interest and of compromises; they thus result from power constellations' (Weber, 1978 [1922], p. 108, in Baker and Jimerson). An assumption associated with the supply and demand model is that the conflicts of interest and power constellations being considered are those of buyer and seller, and that each will act as individualistic maximisers. However, work by Weber (Swedberg 1998) and Bourdieu (2000) suggests that there may be power constellations amongst pricers, and amongst buyers, as well as between buyers and suppliers, and that social (perhaps more than economic) considerations may influence interpretations of pricing practices as 'right' or 'wrong'.

Although perceptions of whether a price is 'right' or 'wrong' vary, Simmel suggests that to those who sell or buy the price is always right, because an exchange will only take place if both parties perceive that they are better off *after* the exchange than they were before it (Simmel 1978 [1907], p. 93). However, whatever the views of those involved, others may categorise the price differently. For example, Simmel suggests that 'wrong' prices are chosen by people too impulsive, uneducated, primitive or childlike to make a rational pricing decision.

The idea that a perceived lack of pricing 'know-how' is a signal of lack of knowledge and experience, and is associated with low status ('childlike' and 'primitive') is an important one. It suggests that some ways of pricing are perceived as better than others, and that these ways of pricing (and their assessment) are learnt (because they are not childlike, and not primitive). That is, pricing may be construed as a learnt practice that is open to interpretation, and there may be dominant

interpretations of 'right' and 'wrong' ways to price. Those who decree the 'right' or 'wrong' do so from an assumed position of higher status.

Although this research focusses on the prices which are set, not on the prices at which an exchange has taken place, the move from a consideration of the abstracted exchange of object and money to the consideration of the specific parties and the exchange (and therefore interpretations of the price) as embedded in a particular context and system of interpretations is central to this study. Following Velthuis, within this thesis prices and discourses of price are understood as having meanings, and as such are a potential source of distinction.

## Money

As discussed in the Money section of the Literature Review, what is thought of as money varies with academic discipline (Baker and Jimerson 1992, p.678). To Baudrillard money is an abstraction, even a fetish, something which substitutes for and perhaps exceeds the thing it stands for, ‘connected now not with exchange-value, but with the unexchangeable’ (Baudrillard 2001, p.129), which echoes Simmel’s point that

‘money has been defined as ‘abstract value’. As a visible object, money is the substance that embodies abstract economic value, in a similar fashion to the sound of words which is an acoustic-physiological occurrence but has significance for us only through representation that it bears or symbolizes’

(Simmel 1978 [1907], p.120)

Although money has no intrinsic value, few would regard it as unexchangeable. Instead, one of its primary attributes in facilitating trade is that it is exchangeable.

The term ‘modern money’ is used throughout the marketing, behavioural economic and anthropological literature to distinguish it from ‘primitive’ money such as shells and beads etc. (Douglas 1982, Ch. 3). In this thesis I, like Belk and Wallendorf (1990, p.35) use ‘money’ to mean ‘contemporary’ or ‘modern’ money, but, following Zelizer (1994) I broaden it to incorporate other items such as the vouchers introduced by one of the art trails.

In their very useful overview of the sociological money literature, Baker and Jimerson (1992) state,:

‘(...) sociologists, like economists, almost exclusively study *modern* money – marks, yen, dollars, pounds, rubles, francs and so on. Most sociologists do not look beyond cash, currency, and demand deposits as “money”.

Economists, however, have a much longer list. They also include exotic

financial assets that are more or less substitutable for cash, such as overnight repurchase agreements, money market mutual fund shares, commercial paper, bankers' acceptances, liquid treasury obligations and even financial futures and options. (...)

Economic anthropologists, in contrast to both sociologists and economists, focus on primitive money, the money-stuff that appears in noncapitalist, nonmarket economies, such as woodpecker scalps, pigs, cows, seashells, and dogs' teeth (Dalton, 1967; Hogendorn and Johnson, 1986).

**Money, primitive or modern, can be understood only in its context. Modern and primitive monies derive their definitive bundle of traits from the socioeconomic organization of the societies in which they appear.'**

(Baker and Jimerson 1992, p.678, added emphasis)

This last point is important, as it emphasises the idea that money has meanings: modern money, as with primitive money, is understood, and those understandings/interpretations are context-specific. The functions money is allowed to perform, and how interpretations of those functions are shaped and shared is through social agreement. Although 'Economists focus only on the limited bundle of impersonal and neutral traits conferred [on money] by market integration: a medium of exchange, a means of payment, a store of value, a unit of account and standard for deferred payment (Dalton, 1967, pp. 256-259). Sociologists recognize such money uses but consider a much broader range, especially the use of money as power.' (Baker and Jimerson 1992, p.680)

Hornborg (1999) states that the meanings of money within the current social agreement have led to us rapidly destroying the physical world upon which our economy is built. Because money is understood as enabling comparison and therefore exchange of unlike for unlike, and money accumulation is understood as a goal in its own right, we are willing and able to trade short term profit and trade for the loss of substantial entities such as forests and environment. Money, in particular

what Hornborg sees as the rise of fetishized global market money, is seen as the root of this problem. This seems linked to Baudrillard's criticism of the 'doubly abstract passion for money, [in which] this becomes the object of a higher fetishism, connected now not with exchange-value, but with the unexchangeable' (Baudrillard 2001, p.129).

Baudrillard (2001, p.127) suggests that

'This fetishism of money, before which all activities are equivalent, expresses the fact that none of these activities any longer has any distinct end-goal. Money then becomes the universal transcription of a world bereft of meaning.'

To Marx, commodities are made because they can be exchanged for money (they have exchange value for the producer, rather than use-value), and money has become an end in itself. However, as money has no intrinsic value, it can be seen as a fetish, something which substitutes for and perhaps exceeds the thing it stands for.

However, although a primary function of money is to be a means of commensuration, that is, it to enable comparison and equivalencies and thereby the exchange of unlike with unlike, money performs other functions too:

'Consider the standard economics textbook definition of modern money: Money functions as a medium of exchange, measure and store of value, means of payment and unit of account. Because many things can perform these functions, it is more accurate to speak of monies rather than to assume that money is a singular, unitary thing'

(Carruthers and Espeland 1998, p.1388).

Whereas according to this economic perspective money is a 'utilitarian commodity' which 'arose as a convenience to facilitate trade' (Belk and Wallendorf 1990, p.35),

socio-economist Viviana Zelizer (1994), like Carruthers and Espeland (above), treats this as a narrow interpretation. Rather than simply using ‘monies’ to convey that there are many things which can be used to fulfil the economic functions of money, Zelizer states that even when it may *look* like standard modern money people separate it into different categories, and the category and associated practices inform and are shaped by social relations. Far from money being the ‘universal transcription of a world bereft of meaning’ as Baudrillard (2001) suggests, according to Zelizer money is meaning-full, and used in meaning-full social interactions.

That is, echoing Douglas’ finding that the Lele use money categorisations and practices as a medium of social relations, work by Zelizer, Thaler, and others shows that this also holds true in modern Western contexts in which modern money is used:

‘money should be viewed as an element in the communicative system of the human agent as a dialogic creature, a creature who is primarily a symbol-making and symbol-using entity.’

(Perinbanayagam 2011, p.107)

Perinbanayagam (2011) concentrates on the ways in which the ownership of different *quantities* of money inform social position, relations and identity (‘the coinage of the self’), whereas Zelizer focusses on the ways in which interpretations of the *quality* or categorisation of monies informs and is informed by social position and social relations. My study focuses on this socially-meaningful aspect of money within discourses of price.

Perinbanayagam concludes by saying that the importance of money is largely derived from the role it plays in relationships. However, whereas Zelizer shows how different types of money and money practice are used in different social relationships, and in this way ‘money is attached to a variety of social relations’, to Perinbanayagam it is the amount of money one owns which informs relations with our significant others: ‘if we do not have the necessary money to maintain relations with our significant others, then these relationships will quickly start to erode. With

the erosion of our social relations, there always occurs simultaneously a diminishment of our powers of agency and the moral character of our selves' (Perinbanayagam 2011, p.133). His encouragement to acquire money in order to save our moral character has almost religious overtones, suggesting that one has a duty to go and earn money.

If we all shared the idea that one has a moral duty to go and earn money in order to have status and maintain a positive sense of self through desirable social relations, then pricing (and charging high prices) would always be socially desirable. However, it is possible that pricing could be seen to suggest that one needs money, that is, that one does not have enough. If this were the case, only those pricers who can demonstrate clearly that they already have 'enough' money would feel comfortable about pricing. Extending this idea, one might expect that those with less money would seek to create and maintain other non-monetary (perhaps anti-monetary) sources of status and positive social relations.

## Value

‘ “Value”, in the economic sense [is] the degree to which objects are desired, particularly, as measured by how much others are willing to give up to get them.’  
(Graeber 2001, p.1)

From this demand-led definition (which echoes Simmel’s (1978 [1907])), and begs the question ‘how much of what?’ – the implication is ‘how much money’ - it is perhaps not surprising that ‘value’ and ‘price’ are often used interchangeably in economic and marketing literature and conversations. In this study price and value are thought of as related, but not synonymous.

Within the price and money literature reviewed in this study ‘value’ is used in many ways, and although a topic of research in its own right, it has proved to be a complex and difficult to define concept (see for example Graeber 2001; Hutter 2008). As Zeithaml (1988) states, value is an ‘indistinct and elusive’ construct. Whilst containing economic elements, the construct also includes at least two other streams of thought: ‘value’ in sociological sense (‘conceptions of what is ultimately good, proper, or desirable in human life’, and in the linguistic (Saussurean) sense of ‘meaningful difference (Graeber 2001, p.2)<sup>3</sup>.

To Holbrook (1999, p5), whose focus, like Zeithaml’s, is on consumer perceptions, consumer value is an ‘interactive relativistic preference experience’, in which each

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<sup>3</sup> Intriguingly, in Graeber’s *Toward an Anthropological Theory of Value* there is no index entry for ‘price’ or ‘pricing’, although one might expect there to be a referenced discussion of the frequent overlap and conflation of ‘price’ and ‘value’.



of the facets (interactivity, relativism, affectivity, and a grounding in the consumption experience) is 'intimately interrelated with the other three. Using these facets, and building on insights gained during his decades of research and introspection re axiology, he proposes a framework to distinguish eight key types of consumer value.

Addressing each of the three facets in turn Holbrook says that by *interactive* he means that there is a subject (the consumer) and an object (which could be a manufactured item, a holiday destination, a service, for example). Whereas extreme subjectivism would suggest that value lies only in the eye of the beholder, an extreme objectivist position would suggest that value resides in the object itself. Holbrook proposes that an intermediate position is most useful.

By *relativistic* (p.6) he means that consumer value is '(a) comparative (involving preferences among objects; (b) personal (varying across people); and (c) situational (specific to the context).

Finally, by *experience* (p.8) he means that consumer value resides not in the product purchased, not in the brand chosen, not in the object possessed, but rather in the consumption experience(s) derived therefrom.'

Holbrook then (p.9) adds what he calls 'three key dimensions of consumer value': Extrinsic versus intrinsic value; Self-oriented versus other-oriented value; and Active versus reactive value. These are combined into a 2x2x2 cross-classification, producing an eight-cell Typology of Consumer Value. These cells are populated by: efficiency, excellence, status, esteem, play, aesthetics, ethics, and spirituality, and that these outcomes are of value to the consumer.

Intriguingly, although in common perception price and value are often conflated, price is not listed in the index of his edited book (a collection of papers given at an ACR special session to explore his typology), and if and how price and perceptions of value are related is not a central topic. However, Richard Oliver, one of the contributors to the session and the book, refers to Zeithaml's work (discussed

above), and points out that ‘Perhaps the easiest rendition of value in lay terms is the singular notion of *worth*. Price and quality, taken separately, would fit this category. Often this is referred to as a “utility” definition, but it is more accurate to refer to it as *cardinal* utility’ (p.45). Although the ratio of what is received to its price is often expressed as the ‘value for money’ (in, for example, *Consumer Reports*) (p50) ‘price and value are not necessarily congruent’ (p46).

That is, price and value may be seen to be related, but perceptions of the relationship will depend on conceptions of value used. For example, is status created by high prices, or are high prices a reflection of high status? Is the object more beautiful, or more esteemed, if it is more highly priced, or vice versa? Whilst it is entirely possible that producers assess the value of their object using a mixture of dimensions similar to those proposed by Holbrook, and the dimensions may play an important part in their categorisation of their object, it is not at all clear how the pricers might translate this into price.

Baudrillard suggests that we have lost all idea of the real, because we are reliant on what he calls ‘maps’ or ‘models’, which have become so dominant that they now determine the real. We have lost our ability to distinguish between what is real, and what are simulacra, which are themselves a form of reality and will have a bearing on our practices and our values.

To expand, he says that there are three ‘orders of simulacra’. In the first order of simulacra (associated with the pre-modern period), the image is a clear counterfeit of the real; the image – such as a picture of the king - is recognized as just an illusion, a place marker for the real.

In the second, (associated with the industrial revolution of the nineteenth century), the distinctions between the image and the representation begin to break down because of mass production and the proliferation of copies – e.g. in photography. Such production misrepresents and masks an underlying reality by imitating it so

well, thus threatening to replace it. However, there is still a belief that, through critique or effective political action, one can still access the hidden fact of the real.

In the third order of simulacra (associated with the postmodern age), we are confronted with what he calls a *precession* of simulacra; that is, the representation *precedes* and *determines* the real. Whereas in the first stage the image reflects the real, the second masks and perverts basic reality, and the third hides that there is no real, the fourth ‘bears no relation to any reality whatever; it is its own pure simulacrum.’ (Baudrillard, *Simulacra and Simulations*, 1998).

There is no longer any distinction between reality and its representation; there is only the simulacrum. How then can one determine the value of anything? What is of value, if exchange value is as meaningless as Baudrillard suggests, yet ‘use value’ is tied up with socially-constructed meanings which are shaped by media culture and multinational capitalism? What is the ‘thing’ that one is valuing? What is the system of meanings within which one is acting? If money has become a “universal equivalent” which has destroyed our connection with the real, what else could be used in exchange/pricing?

Baudrillard (1993, p.60) suggests four registers of value in relation to a system of objects: ‘1. The functional logic of use value. 2. The economic logic of exchange value. 3. The differential logic of sign value. 4. The logic of symbolic exchange. They have for their respective principles: utility, equivalence, difference and ambivalence.’ Here, through ambivalence and reversibility, symbolic exchange undermines the ‘fixity’ of this system: ‘It puts an end to...economic exchange and accumulation’. That is, Baudrillard provocatively proposes that we should challenge the values or ‘meaning’ of the capitalist system by adopting expenditure, giving, sacrifice, and destruction (suggested by his reading of Bataille and of Mauss re the gift and counter gift of potlatch), and in so doing escape determination by the existing market-led definitions of utility. Rather than seek value and meaning (which he associates with capitalistic society) Baudrillard calls for their extermination and annihilation.

However, others are less nihilistic. To Graeber (2001), conceptions of value (in its widest sense) are visible through an anthropological study of actions, particularly the choice of which action to make. It is likely therefore that although value is not the focus of this research, pricers' conceptions of value will be suggested by the findings of this anthropological study of the discourses of price.

This thesis focusses on discourses of price, which was associated by the participants with a precise monetary amount, and therefore might be thought to be most closely linked to the economic interpretation of value, rather than the more nebulous sociological concept of value. However, within this research, following the precedent of Bourdieu (1984), CCT research in general, and socio-economic research by Zelizer, pricers' categorisations of object and money and other elements of pricing discourses are treated as potentially being treated by the participants as more or less appropriate and desirable, and these are sociological considerations.

A key theory of value, Marx's labour theory of value, was not meant to be a theory of prices (Graeber 2001, p.55) (see *Capital* Vol 1, in which Marx refers to prices diverging from values, and Parts I and II of Vol III which are 'occupied with demonstrating how and why prices of production diverge from values in a systematic and demonstrable way'). Instead, the purpose of his analysis was to encourage change in the status quo, not to make a predictive tool which would help perpetuate it. Unlike Ricardo's proposal that what is something is worth is the number of man-hours involved in the making and distribution of it, in his labour theory of value Marx (1970 [1859], p.66) proposed that value is based on the *proportion* of labour (creative energy) spent in the production of the object compared to the total amount of labour in the system as a whole, and that the maker should have the right to determine the value of an object.

Marx 'by no means assumed that price paid for something was an accurate reflection of its worth' (Graeber 2001, p.55), instead there are homogenizing forces acting on heterogeneous, disparate systems of value, and the price paid is determined through

exchange, rather than solely by the maker's assessment of worth. In this conception, pricing requires a convergence of perhaps conflicting systems of value.

Like language, value, or the meaning of goods, is socially constructed. The interpretation of price inherent in the choice of price 'says' something about the values of the pricer, as does the interpretation of potential 'readers' of that price. However, as Rey pointed out, 'value and the economic goods themselves are indexical signs of social work, but (...) they are not normally understood as such' (Rey 1987, p.33). That is, 'The transformation of useful objects into values is a product of society in the same way as language.' (Rey 1987, p.33, quoting *Das Kapital* [1867]).

Simmel suggests that value is 'the epigone of price' (Simmel 1978 [1907], p.94) .i.e. that value is of a later generation than price, and that 'the statement that they must be identical is a tautology'. However, importantly, he also says that we

'should not forget that the objective and just equivalence of value and price, which we regard as the norm for actual particular cases, is valid only under specific historical and technical conditions and collapses immediately with a change in these conditions' (Simmel 1978 [1907], p.95) .

It is this context-specificity that may be the crux of the difficulty in maintaining a perceived equivalence of price and value. Price, as discussed earlier, is 'precise and public', and therefore to an extent fixed, whereas value is a personal, nebulous and fluid conception (Zeithaml 1988, p.13), perhaps consisting of conflicting connotations (Graeber 2001). Whereas conceptions of value vary, in most instances the price of an object is not adjusted for every condition such as change in customer, although used-car salesmen are able to use this flexibility to their advantage. It is therefore feasible that a price may be construed by the pricer as equivalent to the object's value in one situation, but not equivalent in another.

The idea that a money price "condenses" and summarizes value' (Carruthers and Espeland 1998, p.1388) therefore needs expansion. Prices may be understood as

expressing constructs or preferences (Horwitz 1992, p.206), and given that there is a ‘multiplicity of dimensions’ (Hutter 2008, p.17) involved in constructions of value, or, as Simmel puts it, ‘many specific presuppositions and considerations’ underlying ‘the unitary concept’ (Simmel 1978 [1907], p.196), a price is not *the* summary of value, instead it could be seen as one of many possible summaries of values.

In his discussion of ‘Monetary Exchange as an Extra-linguistic Social Communication Process’ Horwitz (1992, p.208) builds on Gadamer ‘to advance on Menger and Simmel’ in order to suggest that just as we rely on ‘pre-established words which have their universal meaning’ but which are also subject to ‘a constant process of concept formation by means of which the life a language develops’, market actors ‘must rely on “pre-established” prices to inform their actions, but the results of those actions are changes in the array of prices – “enriched by the[ir] particular view of an object.”’

Because from a sociological perspective values are ‘conceptions of what is ultimately good, proper, or desirable in human life’ (Graeber 2001, p.1), price, as well as perhaps being understood as a condensing of considerations such as costs plus profits and ‘the going rate’, may also be understood as having been shaped by the values and cultural capital of the pricer. In this study only one precise and public price is chosen per object, but it may be the product of multiple (and perhaps conflicting) interpretations of the object, the money, and of how the pricing of a particular object in a particular context ‘should’ be done.

‘Value is an addition to the completely determined objective being, like light and shade, which are not inherent in it but come from a different source.

However, we should avoid one misinterpretation; namely, that the formation of value concepts, as a psychological fact, is quite distinct from the natural process. (...) The meaning of value concepts is denied to nature as a mechanical causal system, while at the same time the psychic experiences that make values a part of our consciousness themselves belong to the natural world. Valuation as a real psychological occurrence is part of the natural

world; but **what we mean by valuation, its conceptual meaning, is something independent of this world; is not part of it, but is rather the whole world viewed from a particular vantage point.'**

(Simmel 1978 [1907], p.60, added emphases)

This idea of vantage point and the potential for varied vantage points from which to construe value is similar to Bourdieu's concept of habitus (Bourdieu 1984). That is, price may be understood as the 'money equivalent of personal values' (Simmel 1978 [1907], p.355) because the calculation of a money-equivalent is shaped by values, which are informed by one's upbringing and cultural capital. How one understands and values something is context-specific and depends on the valuer as much as the object, because, as discussed above, value is not an integral property of the object.

Importantly, although the system of values used will be personal and fluid, they are not arbitrary: they are linked to the class condition (Bourdieu 1984), and therefore whilst varied they will not be infinitely varied or absolutely idiosyncratic, as illustrated by Kopytoff in his example of the negotiation of the price of a family heirloom with a jeweller (Kopytoff 1986, p.80):

In this example Kopytoff suggests that he and the jeweller are using different systems of value, and that each of party recognises that the other is using a different system. That is, there is a shared idea that a jeweller (not just *this* jeweller) might use one system of value (whatever that system is), and that a customer (not just *this* customer) might use another system of value (whatever that system is). Kopytoff suggests that a jeweller would use a 'market' or 'commodity' system of value and that this is different from the personal singularised-object valuations he, Kopytoff, used.

Rey suggests that 'value and the economic goods themselves are indexical signs of social work, but (..) they are not normally understood as such' (Rey 1987, p.33)

That is, 'The transformation of useful objects into values is a product of society in

the same way as language.’ (Rey 1987, p.33, quoting *Das Kapital* [1867]). That is, like language, value, or the meaning of goods, is socially constructed. The interpretation of price inherent in the choice of price ‘says’ something about the values of the pricer, as does the interpretation of potential ‘readers’ of that price.

The idea of a precise and public number is a simple one, although how one reaches it is not, and is the topic of this research. The concept of value is a thorny one (Hutter 2008), and the relationship between the concept of value and price continue to be problematic (Zeithaml 1988; Graeber 2001) (see also Frisby’s discussion of Altmann’s review of *The Philosophy of Money* (Simmel 1978 [1907], p.xix)).

Rather than focussing on pricers’ conceptions of value, which would have involved a different literature and a different analysis of the data, the focus of this price research is restricted to the exploration of pricers’ categorisations and interpretations of object, money, and commensuration. I did not ask “What do you think about when you think about the value of your work?”, I asked the related but different question: “What do you think about when you think about pricing your work?”

## Exchange

‘*v.t.* to give or give up in return for something else: to give and take mutually: to barter.... *n.* the giving and taking of one thing for another’.

Chambers Concise 20th Century Dictionary

Within the research context, a price may be understood as a signal that the pricer/producer is willing to exchange their object (here a painting, or a sculpture, for example) for a specific amount of money, to anyone who has that amount of money. Therefore, pricing can be understood as being about exchange.

The concept of exchange may be broadly divided into two main types: market (or commodity) exchange, and gift exchange. These are generally understood as



involving different types of object, different time scales, and having very different social uses and effects.

In his examination of *The Form and Reason for Exchange in Archaic Societies*, Mauss (1954) suggested that gift exchange was the second of three stages in the evolution of the economy. First there is 'total prestations', then gift exchange, then the commodity economy. However, Mauss makes it clear that economic markets existed 'before the institution of traders and before their main invention – proper money' (Mauss 1954 p.4), and that the morality and organization of gift exchange 'still function in our own societies, in unchanging fashion and, so to speak hidden, below the surface' (*ibid*). In modern contexts, as in all gift exchanges, 'even when, in the gesture accompanying the transaction, there is only a polite fiction, formalism, and social deceit (..) really there is obligation and economic self-interest' (p3).

In Mauss' positivist analysis gift exchanges have a number of attributes:

They are associated with inalienable goods - that is, 'a gift is always seen to contain something of the giver' (Graeber 2001, p.35). However, Mauss points out that objects which are sold do not necessarily become alienable;

Gifts usually involve a time-delay rather than direct exchange. For example, French social insurance is construed by Mauss as a delayed repayment of the debt created by a worker in the gift he gave to society of his labour and contributions during his working life (Mauss 1954, p.67));

Gift exchanges are relational, they are to do with social bonds. According to Mauss "A gift that does nothing to enhance solidarity is a contradiction" (Mauss 1954). Gift exchange may be used to create a 'stable system of statuses', or an 'escalating contest for honour' (Douglas, in Mauss 1954, p.viii)). That is, the relational aspect of gift exchange is not necessarily positive. Instead, gifts are 'wounding' in that they create a debt which must be repaid or the recipient will lose face. Gift exchanges are therefore sources and reflections of status and power.

In contrast, market exchanges are associated with alienable goods (the property is alienated in that all rights in it are detached from one owner and vested in another). However, Mauss points out that in a market exchange the connection with the maker/previous owner may be reinstated, and perhaps be protected through legislation, as in 'the French law of September 1923 that gives to the artist and his inheritors a 'right of succession' over the series of additional gains made during the successive sales of their works' (Mauss 1954, p.67).

Market exchange involves direct exchange (no delay), and is often treated as though it is an isolated act, removed - by the use of money - from social relations and social considerations. That is, market exchange is construed as impersonal (free from relationships) and abstracted. Within neo-classical economics this type of exchange is understood as a good thing, in that it helps to free the market to work optimally and therefore achieve best use of resources and optimal prices (Simmel 1978 [1907]).

Market exchanges involve money, they are about buying and selling, which, according to Mauss, may be construed as involving 'a tradesman morality', which is concerned with venal value only and is therefore of lower status (Mauss 1954, p.65). This pejorative categorisation of exchanges involving money is echoed by participants in Douglas' work with the Lele, and in Bourdieu's Algerian study (Douglas 1982; Bourdieu 2000). However, although market and gift exchange are posited as opposites, Mauss clearly suggests that the distinction between market and gift exchange may not necessarily be clear cut – instead the researchers' and participants' categorisation of an exchange involves interpretation of the exchange and the terms.

Because pricing is generally deemed to be a 'market exchange' activity, with associations of abstraction and individual maximisation, in the section below I discuss gift exchange in a little more detail, as some of the gift exchange aspects may, as Mauss suggests, be present in a contemporary market pricing context such as the one examined in this research.

Data from archaic societies suggests that in contrast to market exchange, gift giving is used to create or maintain a hierarchical position (i.e. power imbalance) through shared understandings of the hierarchical ranking of the parties and of the objects being exchanged (Gregory 1982, p.47). As Gregory, Mauss and Douglas point out, this continues in contemporary settings. Gift giving is not necessarily about goodwill and altruism, instead it may be about 'wounding' the other, and include agonistic exchange, or the gift as contest, where each party tries to 'out-do' the other in the scale of their giving.

'Giving money [or surrogates for money] away has three dimensions related to the perception of the relative status of the participants: first, gifts between people who are of more or less equal status that involve the equal exchange of gifts; second, the gift from a superior to the subordinate that does not entail a return gift; third, a gift from a subordinate to a superior that is really a bribe for services to be received, a tribute, or a tax.' (Perinbanayagam 2011, p.130)

Here gifts, whether of money or of money surrogates (objects) are used in relations. There is no example of an altruistic gift with no expectation of a return, either in the form of a similar gift, or in status-affirmation.

From his study of prior anthropological research (particularly that of Mauss) and his own field work in Papua New Guinea, Gregory suggests that:

"The difference between a commodity-exchange relation and a gift-exchange relation can be summed up as the difference between 'value' and 'rank'.  
Commodity exchange - the exchange of unlike-for-unlike - established a relation of equality between the objects exchanged. When A and B exchange x and y as commodities of equal value, a relation of the form  $x=y$  is established. In a commodity economy, because of the operation of the law of value, two heterogeneous things are treated as equivalent and the problem is to find the common measure.

Gift exchange - the exchange of like-for-like - establishes an unequal relationship of domination between the transactors. This comes about because the giver usually is regarded as superior to the receiver (A.J. Strathern, 1971, p.10). This is a feature that is common to gift exchange systems all over the world. But as Strathern (p.10) notes: "Whether this superiority implies political control over the recipient or whether it merely indicates a gain in prestige on the part of the giver are matters in which individual systems vary". The precise meaning of 'domination' is an empirical question; for the subsequent exposition it is sufficient that it implies that the giver has some kind of superiority.

Thus when A and B exchange x and y, A is superior to B because he gives him an x; but B is superior to A because he gives him a y. So who is superior to whom? This is the problem of rank and the answer to the question depends, in the first instance, on the rank of the objects, ie their exchange-order. Objects as gifts have this exchange-order rather than exchange-value, because the relationship between them is ordinal rather than cardinal.

(Gregory 1982, p.47)

For the purposes of this thesis there are three important points to draw out here:

First, the assumption that commodity exchanges are about equivalence between the things being exchanged. The idea that what is required is to find 'the common measure' focusses on equivalence between objects, not the necessary first step, the calculation of equivalence between the objects and the common measure (money). In the case of pricing (which is this first step) Gregory's statement suggests that the money price would be perceived as being equal to the object. Here, the calculation of equivalence between money and object(s) is treated as possible and necessary, and all money is treated as equal.

This leads to the second point: Gregory states that ‘Objects as gifts have this exchange-order rather than exchange value’. However, whether something is construed as having exchange order or exchange value (ie subject to ordinal or cardinal ranking) is a construction not an innate property of the object. The possibility of variation in construal is recognised by Gregory and Strathern (cited by Gregory, above), in that they highlight the importance of context in understanding exchange, and emphasise the need for an empirical grounding when seeking to understand the domination and superiority created by an exchange. I suggest that the empirical grounding is also required when trying to understand categorisations of the object and the exchange, because what criteria are considered important in the categorisation process will vary with context. In turn, construals of what types of objects (or practices) are considered comparable, and in what way, will vary.

In the literature discussed above, an exchange is treated as *either* a gift *or* a commodity exchange, and therefore as *either* money-free, but with some idea of delayed reciprocation and on-going relationship *or* as involving money and as a self-contained exchange. However, a pricer’s categorisation may not always be that clear cut, or involve the same connotations. A participant’s categorisation of the exchange as ‘market’ rather than ‘gift’ may be understood as a means of avoiding or reducing associations of loss of face, when ‘the whole tendency of our morality is to strive to do away with the unconscious and injurious patronage of the rich almsgiver’ (Mauss 1954 p.65), but at the same time the pricer may prefer to associate the exchange with the positive relational aspects of gift exchange rather than the impersonal aspect of market exchange, because market exchanges (ie those involving money) may be associated with ‘a tradesman morality’ (*ibid*) which, to Mauss, has negative connotations of involving ‘consistent, icy, utilitarian calculation’ (p.76). Although Mauss suspects that *homo economicus* lies ahead of us (and Hornborg (1999) suggests we have already gone too far down that evolutionary route), we have not yet truly evolved to that state. Gift exchange (with both its negative and positive

relational associations) remains a key part of our social system, and may be visible within discourses of pricing.

An examination of one's own experience suggests that there are likely to be many exchanges which involve the exchange of object for money which contain relational elements between buyer and seller. For example, there are exchanges involving 'mates rates', in which the seller gives a lower price because the buyer is a friend; In other instances a buyer may make a purchase and perhaps pay a higher price than they might otherwise because the seller is a friend or the buyer wishes to demonstrate a particular supportive or power relationship. In other cases an item might be bought in the expectation that in the future the roles will be reversed. As the growth in relational marketing and brand research demonstrates, the potential for a relational aspect within ostensibly market exchanges is not restricted to short-chain exchanges. Producers and retailers in what might have been taken as a neutral 'market' or 'commodity' long-chain markets are increasingly leveraging relationship-building opportunities: see for example the encouragement of online consumer groups through Facebook and Twitter links on FMCG websites.

The idea that an exchange can be categorised and contrasted as either gift exchange or market exchange is, as Mauss points out (p.73) more an analytic tool than necessarily a reflection of the continuum and variation in categorisation and its implications which exists in practice. Whilst gift exchange is often treated as altruistic, work by Mauss, Gregory and Douglas shows that it is not. Work by Zelizer, McKenzie and Douglas shows that market exchange is not necessarily individualistic and abstracted, although 'market exchange' is often used as shorthand to suggest that it is. Instead of treating them as opposites, both gift and market exchange may be understood as means of achieving social relations, and, as Mauss suggested, selling an object (market exchange) does not mean that it become alienable (Mauss 1954 p.66/7). Finally, although Mauss talks of the joy and pleasure of giving (p.69), he also states that gift exchange is generally as equally calculating of obligation and benefit as that which is generally termed a market exchange.

## **Exchange and object categorisation**

The terms market exchange and commodity exchange are often used interchangeably, the type of object defined by the type of exchange, and the type of exchange defined by the type of object. This intertwining may stem from Marx's use of 'commodity' to mean anything which is made to be sold on a commercial market, rather than made to be used by the maker. Gregory states that Marx defined a commodity exchange as

‘an exchange of alienable things between transactors who are in a state of reciprocal independence’ and that ‘The corollary of this is that non-commodity (gift) exchange is an exchange of inalienable things between transactors who are in a state of reciprocal dependence’

(Gregory 1982, p.12).

In a context in which singularity and relationships are understood as desirable, categorising an object as a commodity is therefore to treat it as something of lesser status, although the fact that it is made for sale and bought suggests that it is understood to be desirable. Within the writings of the Political Economists,

‘A commodity is defined as a socially desirable thing with a use-value and an exchange value. The use-value of a commodity is an intrinsic property of thing desired or discovered by society at different stages in its historical evolution (...). ‘Exchange-value’ on the other hand is an extrinsic property, and is the defining characteristic of a commodity. ‘Exchange value’ refers to the quantitative proportion in which use-values of one sort are exchanged for those of another sort.’

(Gregory 1982, p.10).

However, work by Bourdieu and CCT researchers suggests that the intrinsic use-value of an object (Gregory gives the example of magnetic properties of materials) may be of less importance than the cultural use-value, which, like exchange-value, is an extrinsic property of the thing. Categorisation of one's object as a 'commodity' may be informed by understandings of the implications of the term (ie commodities may have different cultural use-value), and may affect pricing practice.

A money price could be thought to imply 'commodity', with associations of object-equivalence and money-equivalence, detachment, alienability, and market exchange. Therefore if singularity is understood as a more desirable categorisation for the pricer's type of object, pricing may be understood as a negative practice, and this may inform pricing practice and discourse. That is, the maker may prefer to construct the exchange as more of a 'gift exchange'.

According to Mauss, in a gift exchange the object always belongs to the giver. That is, it is inalienable because the giver is a part of the concept of the object. In this conception, the object's biography (Kopytoff 1986) is part of the object. However, objects exchanged for money (i.e. market exchange) may also be considered as inalienable in that they too may be always construed as containing the maker (Mauss 1954, p.67) or subsequent owners, as they too may be included in the idea of the biography or provenance (a term regularly used in art and antiques fields) of the object.

In contrast, according to Perinbanayagam (2011), buying something 'is a way of appropriating an object to one's self, analogous to the Adamic role of gaining mastery by naming.' That is, the maker or previous owner is supplanted.

Here Perinbanayagam has drawn on Simmel's example of someone who said that he bought things in order to 'set the stamp of his personality upon them' (Simmel 1978, p.32, in Perinbanayagam 2011, p.130). Buying, therefore, is a way of 'assigning one's ownership to the object in question, one's identity in fact' (*ibid*). The idea of a stamp of personality and assigning one's identity is akin to the concept of singular



goods, in which the concept of the object includes the owner, but here the maker or previous owner has been supplanted by the new owner, because the act of selling their object opens up that possibility.

The idea that a market exchange could be seen as an opportunity for the removal and supplanting of the maker/previous owner from the object could conceivably be part of a pricer's consideration of whether and how to price their object, particularly if they construe pricing/selling as having this effect, and whether they see this possibility as undesirable.

If a pricer were to share Perinbanayagam's interpretation, then pricing the object could be understood to mean that they are willing to give up some or all of their part in the object, and allow another person to take that space. That is, in pricing and *selling* the object they could be construed to be allowing, perhaps even encouraging, the supplanting. If, on the other hand, a producer/maker were to *give* their object away rather than sell it, the object might be construed as still belonging to or as containing the producer, as according to Maussian gift theory they would still be an integral part of the object. Therefore, if a producer wishes to make a sale but wishes to avoid the implication of alienation associated with a sale there are a number of practices which may be interpreted as changing the categorisation of the exchange. For example, the seller could encourage a delay in the second half of the transaction, as delay is associated with 'gift' rather than 'sale'; and/or the money half of the exchange could be categorised as a gift, a type of 'special money', so that the whole exchange could be understood as an exchange of gifts rather than a market transaction. Whether a supplanting of the producer within the concept of the object is understood as possible, and whether it is understood as desirable or undesirable, would potentially vary amongst pricers, and vary with each exchange.

## Exchange and money

What is termed ‘market exchange’ appears to be defined largely by the use of money within the exchange. The historical rise of the use of money within exchanges is seen as both freeing exchange from social obligations and restrictions (a positive interpretation of the removal of social relations from exchange) and as neutralising, greying, and abstracting the personal and social from exchange (a negative interpretation of the abstracting effect of money). On the whole, ‘market’ exchanges or exchanges involving money are frequently understood to imply impersonal exchange (e.g. Fiske 1992), despite research which shows the opposite (e.g. Douglas 1982; Zelizer 1994).

Baudrillard (2001) says that the moment of exchange of object for money (he uses the example of the wife for \$1m, in the film *An Indecent Proposal*) is the moment at which simulacra become unique:

‘Once the moment of the transfiguration of money has passed, the moment of the reversibility of sign and thing – the million dollars metamorphosed into a unique woman, a unique sign – everything falls back into, and is lost in, a banal exchange of an amorous or sexual kind’

(Baudrillard 2001, p.125).

Here Baudrillard’s interpretation of the categorisation of the goods at various stages in the exchange seems quite different from Kopytoff’s (1986). Whereas Baudrillard gives the money and woman uniqueness only at the moment of exchange, Kopytoff suggests that at the moment of exchange for money all things become commodities (and therefore more banal), but immediately before and after the transactions the objects may be construed as singular. That Baudrillard and Kopytoff construe the changes in categorisation through exchange differently highlights the point that it is important to investigate, rather than assume that one understands categorisations, as they may vary. Through critical ethnographic exploration one can perhaps begin to see

'how the forces of commoditization and singularization are intertwined in ways far more subtle than our ideal model can show, how one breaks the rules by moving between spheres that are supposed to be insulated from each other, how one converts what is formally unconvertable, how one masks these actions and with whose connivance, and, not least, how the spheres are re-organized and things reshuffled between them in the course of a society's history.'

(Kopytoff 1986, p.88)

As has been discussed by foundational sociologists such as Weber, Marx, and Simmel, and more contemporary academics such as Zelizer and Douglas, far from having a greying, neutralising or destroying effect on social relations, money is used in exchange 'as a medium of social relations' (Douglas 1982, p.viii). Zelizer (1994) similarly strongly argues that the use of money is *not* neutralising, or abstracting. That is, exchanges in which money is used need not be considered to be non-social or anti-social.

## Meaning

‘the world has less and less meaning (it has never had any, it has never been exchangeable for anything whatever, but today it is increasingly difficult to find a substitute equivalent for it: the only equivalent we can find for it is a virtual one). We are thus torn between the imagining of meaning, the demand for truth, and the increasingly probable hypothesis that the world has no final truth, that it is a definitive illusion. Do we absolutely have to choose between meaning and non-meaning? But the point is precisely that we do not want to. The absence of meaning is no doubt intolerable, but it would be just as intolerable to see the world assume a definitive meaning. And this is where the miracle of money comes in. Money is what allows us not to choose between meaning and non-meaning, and so to find a universal compromise. It functions as a universal substitute finality, just as the fetish serves as a substitute sex object.’

(Baudrillard 2001, p.128)

Baudrillard’s radical rejection of the existence of meaning appears to hinge on the idea that to have meaning something must have an equivalent, it must be exchangeable. He suggests that money – which is, he says, meaningless - in being the means of commensuration between unlike things creates a form of equivalency, and therefore, it must be assumed, meanings, but because the money economy is simulacra, the meanings are also simulacra.

In contrast, Carruthers and Espeland build on Wittgenstein’s theory of language to suggest that

‘The meaning of money, like the meaning of words, cannot be reduced to that which it represents. Thus, it is misguided to try and identify universally representational properties of money and to link these to its meaning. The meaning of money does not depend on some characteristic that is common to

all money. Instead, its meaning depends on what people in a particular context do with it.’ (Carruthers and Espeland 1998, p.1387)

That is, as in Zelizer’s work *The Social Meaning of Money*, meaning is treated as being visible through practices, and as ‘real’, even if, as Baudrillard suggests, the things which money or a word represent are not necessarily ‘real’.

As mentioned in the Money section of Key Terms, to Baudrillard money is an abstraction, even a fetish, something which substitutes for and perhaps exceeds the thing it stands for, ‘connected now not with exchange-value, but with the unexchangeable’ (Baudrillard 2001, p.129), echoing Simmel’s point that

‘money has been defined as ‘abstract value’. As a visible object, money is the substance that embodies abstract economic value, in a similar fashion to the sound of words which is an acoustic-physiological occurrence but has significance for us only through representation that it bears or symbolizes’

(Simmel 1978 [1907], p.120)

Horwitz also draws an analogy between money and language, drawing on Gadamer’s theory of language:

‘we cannot judge the appropriateness of words by seeing how they correspond to something “else”, because there is nothing “else” we can know outside of the word-systems we use to identify and understand things. If money is the analog to language, then price is the analog to word. A market price embodies knowledge made available by exchanges through the medium of money, just as a word is knowledge made available by speaking or writing in a language. Therefore, just as a word does not correspond to some objective thought or meaning, so does a price not correspond to some objective quality of the object being bought or sold, or some objectively measurable cost.’

(Horwitz 1992, p.208)

Importantly,

The 'language' of the sign demands a form of literacy so that, to be able to participate appropriately in the conversation of consumerism, consumers must understand 'the code' (Baudrillard, 1996 [1968]), that is the coherent but dynamic arrangement of arbitrary meanings attached to objects.'

(Newholm and Hopkinson 2009, p.441)

Whilst a total absence of meaning, and the epistemological problem of the gap between signifier and signified continues to be a major topic of semiotic research, Barthes points out that in practice it is often difficult to separate the signified from the signifier because the object and its meaning are intertwined. For example, he suggests that we cannot see a red rose without seeing a 'passionified' rose (Barthes 1972), we cannot see a red traffic light without seeing 'stop'.

Semiotics is the study of meaning in which rather than being an inherent attribute, meaning is treated as something which is assigned, and makes sense only within a system of meanings. Although the study of signs, symbols and communication began with Hippocrates, Plato and Aristotle, semiotics began at the turn of the twentieth century as the structuralist study of written and spoken language, and is rooted in the work of C.S. Peirce, F. de Saussure, and arguably, Gadamer's hermeneutic research. Lévi-Strauss's anthropological studies of social structure and cultural myths (1963; 1987) further extended its application. The inclusion of semiotics in marketing research methodology might be said to have formally taken off in the 1980's, at the 1986 First International Conference on Marketing and Semiotics (Umiker-Sebeok 1987), although it had already been recognised as a potentially useful underpinning theory for research examining symbolic elements of consumer behaviours (Mick 1986).

Within marketing the semiotic approach has been applied particularly to the analysis of advertising and consumption practices, although not always explicitly. The political critique of market behaviours and marketing practices through an explicitly

semiotic analysis (as in, for example, Xin and Belk 2008) is a relatively small but potentially important element within market research, and foundational CCT authors such as Barthes (1972) and Baudrillard explicitly used semiotic analysis in their critiques of the perpetuation of power and construction of ‘reality’. In contrast, Bourdieu’s (1984) hugely influential work on the exposure of systems of meaning as signals of class position has been retrospectively discussed as semiotic and apparently built on Saussurian relational logic ( Schinkel and Tacq 2004). As Miller notes:

‘Douglas and Isherwood (1978), working within the paradigm of semiotics, saw commodities as a system for communication which makes visible and stable the categories of culture, with an emphasis upon social difference, exclusion and inclusion. Others such as Baudrillard (1981; also Sahllins 1976) attempted a semiotic mapping in which objects come to represent specific social positions. The fullest exposition of this particular anthropological perspective was given by Bourdieu (1984) in his analysis of taste, where it was the classification of class position that was deemed fundamental.’

(Miller 1998, p.139)

Wennerlind (2001) explains that although ‘there are important differences between the various semiotic theories, they share certain unifying themes:

‘Semioticians seek ways to establish - or crystalize – the existence of meaning, experience, and knowledge communicated through symbols so that this transference of culturally defining information may be studied in a meaningful manner.

Systems of signs are understood as being constituted by the complex meaning/experience relations between one sign and others. (...) a symbol’s meaning can only be understood in a mutually contextualizing relation with the other signs within the symbolic system. (...)

Signs often have multiple meanings. A distinction is frequently made between *denotation*, the definitional and literal meaning, and *connotation*, the socio-cultural association.

(....) In general, semiotic methodologies do not try to establish the one true meaning or find the symbol's nature or essence. The search is most often for a multiplicity of meanings – denotative and connotative – condensed in a symbol.

(...)

Uncovering the connotative meaning of a symbol may contribute to the process of questioning and challenging the dominant meaning of symbols, undermining universalizing, normalizing, and legitimizing sign systems. In this sense, semiotics radically critiques the ideological elements of a cultural order.'

(Wennerlind 2001, p.559)

Although in his paper "Money talks, but what is it saying?" Wennerlind gives a very useful overview of literature using various semiotic approaches to money, Perinbanayagam criticises Wennerlind (2001) for drawing on the semiotic implications of work by Gadamer and Hume, rather than rooting his analysis in a specific semiotic theory in order to answer his question (Perinbanayagam 2011, p.112) . However, the themes outlined by Wennerlind (above) are key to much interpretive marketing research (although the research is rarely explicitly semiotic), where the focus is frequently on the multiplicity of meanings of market objects and practices and how these may be used by consumers in identity construction projects and social positioning. It is perhaps not surprising that Wennerlind's case for using semiotics for future money research seems more appealing to me than Perinbanayagam's semiotic approach which focusses more on the framework than on examining the complexity of actual practice. The authors whose work underpin this thesis - notably Zelizer (1994), Velthuis (2005), and Bourdieu (1984) - focus on meanings revealed through practice, but do not draw on specific (e.g. Saussurean or



Peircean) semiotic theory, nor explicitly on semiotic theory. Instead, their work reveals how different groups use the meanings of practices within social relations.

Although in this research I do not draw on semiotic theory, it seems useful to discuss semiotics in a little more detail, and show how a semiotic theory of money might differ from that of the other ‘meaning’ research underpinning my study.

The idea that objects and practices are understood as having meanings is central to interpretive marketing research such as Consumer Culture Theory, and is implicit in core marketing theory such as the core model of the 4Ps (Product, Place, Price, Promotion). This model implicitly contains the idea that each ‘P’ has meaning(s) and can be understood within a code (a set of rules for linking symbols with meanings), in that each element and the sum of the elements is seen as a communication between consumers and suppliers, and as such are subject to interpretation (Rey 1987, p.35).

In their overview of key interpretivist debates within current consumer research, Hogg and Maclaran (2008) show that the varied methodological approaches build on two epistemological views. The first, constructivism,

‘rejects the view that there is objective truth waiting for us to discover’, rather:

‘[...] truth, or meaning, comes into existence in and out of our engagement with the realities of our world [...] meaning is not discovered but constructed [...] in this view of things, subject and object emerge as partners in the generation of meaning’.

Secondly, subjectivism (relevant to structuralist, post-structuralist and post-modernist forms of thoughts), where:

‘meaning does not come out of an interplay between subject and object but is imposed on the object by the subject. Here, the object as such makes no contribution to the generation of meaning’.

(Crotty, 1998, p8-9, in Hogg and Maclaran 2008, p.131)

Saussure, one of the fathers of semiotics, suggested that meaning is not inherent in a unit of analysis (in his case, a unit of language, e.g. a word), but is attributed to it. From this view, for something to be understood as meaningful (a sign), it has both a signifier (the thing or word) which is relatively stable, *and* a signified, which is created by the interpreter and changes with context.

Saussure's work had an enormous effect on the twentieth century study of linguistics and other systems within a variety of disciplines, including anthropology (Graeber 2001, p.13). Saussure's crucial point was that meanings are understood within a larger system: 'the meaning of one element makes sense only in terms of contrast with other possible elements within the same system' (Graeber 2001, p.14).

Whilst hugely influential, Saussure's ideas have been critiqued and developed, rather than necessarily adopted wholesale. For example, Barthes felt that Saussure's work concentrated primarily on the concept of denotative meanings, whereas what was important was to explore the cultural specificity of connotative meanings, in large part because there is no such thing as a denotative or neutral meaning, apart from the example of mathematics. That is, in mathematics 1,2,3 are 'value-free', so  $1+2=3$  is a neutral, objective, denotative statement. But, Barthes states, beyond mathematics, what in practice is thought of as the denotational meaning or 'nature' is simply that which is understood to be the most widely accepted, and the denotative signified is therefore simply the most recent connotative signified (Barthes 1974, p.9).

Meanings are sources of power, they are controlled within hierarchies. Those which are treated as self-evident, rational or correct are 'myths' – they are the dominant ideology of our/the time, a series of associations which are taken for granted - but they are merely the product of history, not essentially correct. Rather than accepting what are culturally- and historically-specific common meanings, Barthes (1972) encourages all of us to examine and contest them, as blind acceptance of meanings will merely perpetuate existing power structures and their ideologies. However, one can only examine and contest from within one's own range of meaning-making.

As Barthes points out, connotations are not ‘nature’, and neither are they idiosyncratic – you need to know the code, which is a ‘coherent but dynamic arrangement of arbitrary meanings attached to objects’ (Newholm and Hopkinson 2009, p.441). There are multiple codes within the ‘complex of cultural values’ (Rey 1987, p.35), and codes or interpretive repertoires are learnt. Interpretations of meaning are therefore determined by the codes to which the interpreter has access, and knowledge of which one to use when and how – or, to use Bourdieu’s term, interpretation depends on the interpreter’s habitus. Use of a particular interpretation signals access to know-that and know-how knowledge, and therefore signals social group. In his critique of the unquestioning adoption of the ‘falsely obvious’ attribution of meanings Barthes (1972) suggests that unquestioning adoption of interpretive codes is a type of constraint, and a means of perpetuating inequalities. This constriction and the need to challenge ‘taken for granted’ and ‘falsely obvious’ interpretations is something that many Fine Art artists are aware of, and incorporate in their practice, so that their art becomes an embodiment of ‘revolutionary demand in the politics of art’ (Benjamin 1999 (1936), p.212) . For example:

‘Their projects simultaneously address and undermine the common narratives and mythologies of the world which control both political and artistic discourses - creating unstable intermedial scenarios that build up temporary credibility in order to infect society with new narratives and open up new avenues of thinking.’

(Promotional email from artists Anders Bojen and Kristoffer Ørum)

In Barthes’ semiotic analysis meaning ‘slides’, that is, meaning is linked to other meanings within the rest of the text and includes a consideration of the context – indeed, the context is part of the text. This emphasis on the need to consider the whole, and on the fluidity of meanings, is shared by hermeneutics. However whereas historically the aim of hermeneutics was to use what might be called the ‘copy’ approach, in which one would try to fathom the writer’s intent as this was seen as *the* meaning (hermeneutics began as the study of religious texts, therefore the

aim was to understand the meaning intended by God), in more recent hermeneutic studies (e.g. Lavoie 1991) following Gadamer meaning is seen as an interpretation which is constructed dialogically: the 'reader' is seen as unavoidably engaged in the meaning-making, the reader is also the writer (Barthes 1972).

Within the interpretive research arena there is an on-going agency-structure debate. To some, consumers are understood as 'practicing semioticians, with a considerable expertise in reading and manipulating the meanings circulating in their society' (Umiker-Sebeok 1987, p.xi), whereas others contest the degree of agency. That is, there are varied understandings of the extent to which one can influence meanings, ie have agency (Newholm and Hopkinson 2009, p.441): Firat and Schultz (1997) and Firat and Venkatesh (1995) suggest that agency is possible, if not boundless. Others, such as Simmel (1972), Baudrillard (1998 [1970]) and Bourdieu (1984) suggest that meanings are dictated by pre-existing institutional 'rules', as in the concept of class habitus, although rules and habituses change over time, which suggests that a degree of agency does exist.

However, whilst the degree to which consumers are understood as have agency in manipulating meaning varies, within the marketing literature producers are more often understood to have these semiotic skills in order to manipulate them for marketing/economic ends (e.g. see Thompson and Tian (2008)). Within the marketing literature producers are rarely understood as operating within institutional meaning-making systems, in which they, like consumers, have specific habituses and limited agency, and that they too may be using meanings in identity projects and social positioning.

Building on the CCT focus on consumers' interpretations and uses of the meanings of objects and practices so that 'consumption functions as a language' (Newholm and Hopkinson 2009, p.441), in this research I turn away from consumers to examine the idea that pricing practices, the objects being priced, the prices

themselves, and the money involved, have meanings for pricers. Perhaps, as Rey suggests, prices are part of a wide, co-constitutive system of meaning, or a 'complex of cultural values' because 'Goods are not only signs of currency values, but also of other goods' (Rey 1987, p.35) – that is, prices show something about the perceived relationship between all things. Precedent set by Zelizer (1994), Velthuis (2005), and Bourdieu (1984) suggests that it is possible to usefully focus on the relations and meanings revealed through discourses of price without drawing explicitly on semiotic theory.

### **Meaning and money:**

Although modern money has no intrinsic value, it is a social convention which functions because it has meaning(s). In Dyer's semiotic analysis, it is the medium of exchange function that is the most important meaning of money. He argues that that the two important roles, that of producer and consumer, 'reflect a world named by money, organized through purchase and sale, and geared to profits [the store of value function of money]' (Dyer 1989, p.506)

Money, its effectiveness as a means of facilitating exchange, its effectiveness as a relational tool, and as a source of power, depends on these socially-constructed and shared meanings. Importantly, 'meaning of money, like other forms of meaning, is enacted in use' (Carruthers and Espeland 1998, p.1385).

As discussed earlier, the concept that objects and market practices are communicative phenomena and therefore have varied meanings and social uses underpins interpretive, symbolic marketing research. Therefore within the marketing research stream although the idea that money should be understood as having meanings is unusual, it is not to treat it as a special case – it is an obvious extension. As two important CCT authors point out,

‘According to this economic perspective, money arose as a convenience to facilitate trade and has become increasingly abstract and devoid of meaning, except in its capacity for facilitating exchange. The economic view then, is that money is ordinary, mundane, and profane; it acts as a convenient means to other ends. It has only quantitative meaning. This view may be pragmatic and rigorous, but it fails to offer an understanding of the more emotional, qualitative meanings of money.’

(Belk and Wallendorf 1990, p.35).

It is these ‘emotional’ and ‘qualitative’ meanings of money which also interested Douglas: in her collection of essays *In the Active Voice*, she states that ‘Goods, money and food are here all treated as media in which people make statements about their life’ (Douglas 1982, p. x). That is, just as goods are understood as having meanings for those choosing and using them, within her research Douglas examines the ways in which money and money practices are chosen and used. It is this qualitative ‘money-meanings’ aspect of pricing practices that is the focus of this thesis. As Dyer suggests

‘It is only by trivializing money's role as a symbol that one can view it as a mere expedient for transferring economic energy between independent agents.’

(Dyer 1989, p.503)

Some of the ‘meaning of money’ research concentrates on the meanings linked to the *quantity* of money rather more than the *quality* of the money. For example, Rose and Orr (2007), and later Perinbanayagam (2011) explore the idea that a volume of money may be understood as a ‘marker of accomplishment or prestige’, or ‘the means of protection from an uncertain future’, rather than on the idea that money can be understood to have different *qualities* or meanings depending on (for example) its source, or form, and that these qualities might be interpreted differently by different people in different contexts. That is, as Barthes suggested, what are taken as

denotative meanings are merely the dominant connotative meaning, and therefore subject to change.

In his semiotic analysis of the meaning of money Perinbanayagam draws on Peircean semiotic theory to discuss money as a complex sign which is a qualisign, sinsign and legisign. It may also be categorised as an icon, an index, and a symbolic sign (Perinbanayagam 2011, p.112-115).

He categorises money as a qualisign, because it is always embodied (as coins, notes, or credit, for example). As an embodied qualisign, money

‘can move from the high born to the low born, from the master to the slaves, from patricians to plebeians and in reverse, readily and easily without losing its qualities’

(Perinbanayagam 2011, p.113).

This is in contrast to research by for example Zelizer (1994), Carruthers and Espeland (1998), Belk and Wallendorf (1990), or Thaler’s (1985) work on mental accounting practices in which they show that money may be treated differently depending on its form and other factors such as source and earmarking. That is, their research suggests that the quality or meaning of the money *does* change with the form it takes and its movement. Here, money from a master to a slave is different to money from a slave to a master:

‘sources and uses of money are inseparably connected in determining the sacred or profane nature of this money. The source of money may also shape the way it is used as a means of affecting its sacred or profane status.’

(Belk and Wallendorf 1990, p.55)

Perinbanayagam then says that money is a sinsign, in that it becomes an “actual existent thing or event”, and that ‘The greater the amount, the more definitive is its existential and “thing-like character”. Again, whilst the authors listed above (Zelizer, Carruthers and Espeland, Belk and Wallendorf, and Thaler) would probably not

contest the “thing”-ness of money, the idea that it becomes more meaningful with increased quantity does not necessarily follow. Instead other aspects, such as the ceremony and history surrounding the civic award of \$24 in the example given by Carruthers and Espeland (1998), may give the money meaning far beyond that which one might expect if using Perinbanayagam’s theory. At the other end of the spectrum, huge sums of money are sometimes treated as ‘unreal’, or ‘enchanted’, perhaps even ‘meaningless’, because they are beyond the scope of most people’s imagination.

Money is also a legisign, argues Perinbanayagam, in that it is a ‘conventional sign, not a unique object’, which is ‘made significant by common agreement and is attested to by a higher authority. (..) In all its manifestations, each unit is equal to another’ (Perinbanayagam 2011, p.113). However, this idea of equality is hotly contested. The alternative view is that money ‘has meaning that depends on its use and context. Such uses are not, however, idiosyncratic. Nor is context ad hoc. Both are socially structured in patterned ways we can discern’ (Carruthers and Espeland 1998, p.1386).

As Hornborg points out, the importance of context to meaning-making is a ‘thoroughly semiotic concept’. However, in contrast to Carruthers and Espeland and to Granovetter’s (1985) seminal paper on embeddedness of contemporary economic practices, Hornborg suggests that money and a money economy are a disembedding decontextualizing force (Hornborg 1999, p.148), rather than that (as proposed by Granovetter and Zelizer) money is treated as meaningful by embedded economic actors. He suggests that the concept of disembedding, ‘in signifying the alienation of person, objects or concepts from the *contexts* from which they have previously derived their meaning (*ibid*, p.149) means that because ‘meanings emerge in contexts’, an abstraction from context gives rise to increasingly empty signs ‘which can stand for anything to anybody’ and therefore propagate the destruction of relations and long-term social projects (such as due care for the environment).



Whilst Dyer proposed that it is the exchange that is re-categorised - that is, 'naming the environment as a gift rather than as a commodity would encourage social bonding through means other than the search for private profits' because (echoing Mauss) a gift 'embodies specific obligations and responsibilities to the community' (Dyer 1989, p.509), a decade later Hornborg argues that the solution to environmental destruction is to have two types of money, because a 'uni-centric economy (ie one based on the use of a single, general-purpose currency) renders money itself incapable of conveying meaning' (p.152).

Because of his assumption of abstraction, Hornborg finds the suggestion made by Polanyi and others (e.g. Codere) that money can be understood as a parallel to language very unsatisfying, and suggests that 'in order to qualify as a cultural domain, the category of abstract exchange value would have to be internally differentiated so as to exhibit some kind of structure. This was indeed the case in traditional, multi-centric economies documented by anthropologists' (*ibid.* p.154). However, as discussed elsewhere, work by hugely influential writers such as behavioural economist Richard Thaler and socio-economist Zelizer shows that far from being the preserve of 'traditional' economies, internal differentiation is common practice in contemporary American society.

Whereas Hornborg claims that 'In order to achieve sustainability, the money sign will have to be re-equipped with a certain capacity for discrimination', major writers such as Thaler, Zelizer, Belk and Wallendorf and Carruthers and Espeland show that in practice the money sign is already equipped with multiple meanings, distinctions and discriminations. It may be, however, that in order to achieve Hornborg's revolutionary ends the (what he sees as) dominant meanings of money need to change:

'because of money's role in making the world known in a certain way, the kind of change involved in creating a post-pecuniary culture will be a change in the semiotic code and symbols through which economic and social life are made meaningful. Thus, the basic process of development is the process of

creating new codes and symbols through which new social actors and personalities are created [Rosenberg 1983, pp.36, 200-204]’

(Dyer 1989, p.508)

Using Peirces’ definition of an icon as a “sign which refers to the object that it denotes merely by virtue of characters of its own, and which it possesses just the same, whether any such object actually exists or not” , Perinbanayagam says that money is an iconic sign ‘as it can be exchanged on an equal basis: a 10-dollar bill can be exchanged for another set of one dollar bills, or a check for hundred dollars can be exchanged for a 100-dollar note’ (Perinbanayagam 2011, p.114). However, because it relies on shared understanding of meaning, if the money was rejected as worthless or irrelevant it would cease to have iconic status (p.115).

Money is an indexical sign ‘through its capacity to indicate an “object” and thus affect the object. Moreover, as a precisely quantifiable sign, it can indicate, affect, and define an object in precise terms.’ (p.114). Perinbanayagam is most interested in the idea that money-ownership indicates the self: ‘possession and control over [money] defines and indicates a “wealthy person”, a “poor person,” a bankrupt,” a “mendicant,” etc.’, and a responsible or irresponsible member of society. Again building on Peirce, Perinbanayagam says that power and social position depend on physical, mental, discursive and social skills, and that these are enhanced by the possession of money. Interestingly, whereas within the CCT literature and Zelizer’s work consumption and money practices are understood as a form of discourse, here Perinbanayagam limits discourse to the use of words, and money-ownership as a supporting act. Whilst he says that the construction of the self depends on one’s discursive power, which requires a ‘command of the language or his or her social circles, its peculiarities of usage in the local contexts and situation, and know nuances and subtleties of usage, to be able to enjoy this sense of power.’ (Perinbanayagam 2011, p.117), within this research the concept of discourse extends more widely, and includes money practices, in particular pricing. These are understood as a nuanced language which varies with social circle and context. It is

not simply money-ownership which gives and reflects power and sense of self, as Perinbanayagam suggests (as in the phrase ‘without money you are nothing’), but as demonstrated in Bourdieu’s (1984) examination of the close links between economic capital and cultural and social capital which in turn inform money practices, other money-related discourses are also related to social position.

For the purposes of this thesis a very important aspect of meanings of money is that the interpretations of the meanings of money may be considered to be a source and a reflection of social stratification. This is important, because it raises the possibility that *pricing*, which necessarily involves a consideration of money, may be informed by and reflect social position.

### **CHAPTER 3. RESEARCH AGENDA: Money Meanings and Price**

**‘the so-called 'rational' economic agent is the product of quite particular historical conditions’**

(Bourdieu 2000, p.18)

**‘We are just beginning to realize the extent to which the modern market is still imbedded in personal and social meanings’**

(Belk and Wallendorf 1990, p.62)

Much of the previously published price literature assumes that pricing is somehow abstracted from its social milieu, its demands and influences. The received wisdom is that producers who are entering a market domain (by pricing their object) are economically driven, but, as suggested in Morton and Podolny’s (2002) wine-producer research, Becker’s (1991) work on restaurant pricing and Velthuis’ (2005) examination of the pricing practices of art gallery owners, this may not always be the case. Although abstraction and theoretical models are useful aids to understanding price, an expansion of the exploration of pricing as a practice performed by embedded economic agents is also required if a richer and more nuanced understanding is to be achieved.

The recognition of the need for context-specific ethnographic detail of market behaviours has led to a significant and growing body of work concerned with the importance of historical conditions and culture in consumers’ actions and meaning-making. However, we are only just beginning to turn a cultural lens on the meaning-making practices of those on the supply-side (Peñaloza and Venkatesh 2006). I suggest that pricing - a central function of the supply-side – can usefully be considered as a meaning-full economic practice, and an important topic for focussed examination.

Based on the literature review, I propose a model in which pricing is construed as a socially meaningful commensurative process involving a comparison of constructed object with constructed money. The model integrates two previous research frameworks: the Consumer Culture Theory (CCT) model of consumption behaviours which highlights social and cultural aspects of market behaviours, including the social positioning effects and uses of object-related interpretive repertoires and practices (cf. Arnould (2005; 2005)), and Zelizer's (1994) model of meanings of money, which highlights the importance and social function of money categorisation.

Construction of 'object' is a central topic of research within CCT, and may be as important a part of pricing practice as it is in consumption practice. Money, a type of market object and a central aspect of price and market exchanges, is only just beginning to be a topic of interest. Rather than being a fungible neutral entity, recent research suggests that within contemporary Western culture money has a variety of meanings which inform how it is used. I suggest that the meanings of money may matter in pricing practice. For example, the idea that 'Money is esteemed yet it is condemned' (Belk and Wallendorf 1990, p.50) and the corollary idea that to be rich is to be admired yet to be seen to *want* money is not, potentially pose a problem if one is pricing something.

Because the meanings of object, money and commensuration are constructed rather than nature, there is variation. The possibility for varied interpretations means that constructs may be used in power struggles, and should be examined rather than simply accepted (Barthes 1972). Importantly previous research shows that the three constructs used in the proposed pricing model - object/money/commensuration - are used in legitimation and power struggles (see Bourdieu 1984; 1993; Zelizer 1994; Espeland and Stevens 1998). Building on this CCT and socio-economic precedent, this study moves beyond assumptions of economic rationale to examine substantive pricing data – discourses of price - in order to gain a better understanding of the variety of pricers' categories and interpretations, and how and why particular discourses are used.

## **Research questions**

Building on the literature review, the purpose of this research is to extend prior knowledge of pricing practices and money-meanings by closely examining pricers' discourses of price, in an attempt to enrich our understanding of the pricing as an embedded, rather than abstracted, economic action.

The focus of the research is an examination of variations in money categorisations and interpretations within discourses of price, in order to make more visible what Bourdieu called 'the contingent and arbitrary character of these ordinary behaviours that we perform every day in the ordinary course of our economic practices and that we experience as the most natural things' (Bourdieu 2000, p.23). The research considers how and why interpretations of money, object and commensurative rules are shared, given credence or rejected.

The research questions therefore are

RQ1: Are the social meanings of money involved in pricing practice?

RQ2: What (if any) are the effects of the social meanings of money on the price chosen, and what (if any) are the links between social position and the use of particular discourses of price?

## **Contribution**

This research differs from and contributes to extant marketing price literature in that it moves the focus to consider the pricer rather than the consumer, and in doing so enriches consumer-led price research. Secondly, the research extends the literature relating to Bourdieu and social practices in that it examines the social/cultural aspects in pricing practice. This is also an addition to abstracted supply and demand, cost-plus or marketing-mix-based models of price. And finally, the research incorporates theories of money-meanings within the conception of pricing, enriching

both the previously published money research and the previously published pricing research. Although the possible connection between money-meanings, pricing and price has been lightly touched upon in other work, this research gives the connection full attention.

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## **CHAPTER 4. METHODOLOGY**

### **Introduction**

Methodology is both the method used to collect and analyse data, and assumptions regarding the validity or worth of particular types of knowledge and the means of arriving at that knowledge. The research questions and the means of answering them are shaped by methodological predilection and choice.

### **Research questions**

Although there is a large body of work regarding abstracted conceptions of price and marketing price strategies, pricing as embedded economic action has hitherto been largely ignored. The aim of this research is to enrich extant price and market-practice literature through an exploration of pricing as an active socialised process, building on Zelizer's programme for the study of social money. The questions asked were:

RQ1: Are the social meanings of money involved in pricing practice?

and

RQ2: What (if any) are the effects of the social meanings of money on the price chosen, and what (if any) are the links between social position and the use of particular discourses of price?

The discourses of price of the research participants include not just the spoken word, with its changes in tone, pace and pitch and accompanying body language, but also their other choices of communication such as their choice of venue, material artefacts such as price tags, and their accompanying behaviours. This research examines 'discourse' in this widest sense.



#### **4.1 Ontology**

‘To consider the ontological status of something is to ask whether it is real or illusory’ (Johnson and Duberley 2000, p.66). A realist ontology assumes that there is a social and natural reality ‘out there’ that exists whether or not we can imagine or ‘gain cognitive access’ to it. That is, Kant’s noumenal reality/realm exists, although we can never gain access to it. A subjectivist ontology, on the other hand, assumes that what is ‘out there’ is a creation of our cognitive action, and has no independent status. As the out-there exists only through our cognition for the realist as well as the subjectivist, the question of whether this is a realist or subjectivist research is largely moot. However, from that sentence alone this research is clearly based on subjectivist ontology. The underlying assumption of this study is that ‘Knowledge is variably constituted according to the paradigm and metaphor deployed..... we always engage with the world via our socialized pre-understandings’ (Johnson and Duberley 2000, p.66).

#### **4.2 Episteme**

As detailed by Arnould and Thompson (2005), Guillen, Collins et al (2002) and Zelizer (2007) in their reviews of work to date, interpretive research within marketing and socio-economics has demonstrated that it is capable of developing a distinctive and exciting body of theoretical knowledge about meaningful interpersonal aspects of consumption and other marketplace behaviours.

Knowledge-generation through ethnographic interpretive research has long been defended and supported within marketing, with a major push for acceptance by the consumer research community in 2005 by Arnould and Thompson. As Hogg and Maclaren (2008) suggest, despite some resistance to theories generated by qualitative techniques, the increasing visibility of interpretive research within highly regarded journals such as *The Journal of Consumer Research* suggests that this methodology has gained recognition for its ability to fulfil the increasing interest of marketing

practitioners and academics (Elliott and Jankel-Elliott 2003; Venkatesh 2005) in the sociocultural, experiential, symbolic, and ideological aspects of market behaviours. As it is precisely these aspects of pricing that I wish to explore, and it is the methodology used in the research I wish to build on, ethnography is an apt methodological choice for this research.

Following the methodology of Consumer Culture Theory (CCT) researchers such as Luedicke (2006), Penaloza (2000) and Parsons (2010), and socio-economic researchers such as MacKenzie (2006) and Venkatesh (2006), this research is an ethnographic study of pricing as embedded economic action. As Denny and Sunderland (in Venkatesh 2005) detail, within marketing ethnography is ‘*The traditional anthropological method used to illuminate cultural categories, cultural domains, and cultural practices.*’ That is, for anthropologists in marketing, ethnography is grounded in cultural analysis.

It is important to note that although some ethnographic work privileges the researcher as a neutral observer of participants’ interpretive processes, within the Bourdieusian critical tradition the researcher does not claim neutrality. Instead, there is recognition of the researcher’s implicit and explicit effect on the context, the data collection and the analysis. The researcher’s understanding of the context and data is necessarily an interpretation. Within this tradition data collection, coding and analysis is mediated by the researcher’s presence and interpretations, as discussed in Thompson’s explicit use of both etic and emic categorisations in consumer research (Thompson 1996), and Venkatesh’s iterated process of reflexion regarding his involvement and possible effects on the research participants during his long immersive socio-economic study of money practices in Chicago’s Southside (Venkatesh 2006).

Following CCT and socio-economic precedent, ethnography is a pertinent research methodology for an examination of whether and how money is involved in pricing practice. As Zelizer points out, ethnographic methodology ‘reveals a great deal of negotiation of meaning and the actual production of cultural meanings. This is not a

trivial feature of money. As Bourdieu and Heilbron (2005) said, that is how money works' (Zelizer 2007 p.1063 ). Although largely ignored in the price literature hitherto, this social negotiation and production of money meanings may also be an important aspect of how pricing works.

It has been noted that much consumption-behaviour research implicitly uses semiotic methodology, and there have been calls for it to be used both more explicitly and more rigorously (Mick 1986). Yet whilst there has been growing interest in investigating the co-construction of meaning, key CCT authors continue to cite other methodologies in their exploration of meaning-making as a social practice.

In 1982 Douglas suggested that semiotics potentially has a great deal to offer in solving what she perceived as the

‘lack of a methodologically satisfactory way of relating the cognizing individual to his cognized social environment, accounting for the feedbacks and reinforcements each gets from the other. ‘

(Douglas 1982p.201)

However, in what has been cited as ‘one of the best treatments’ of this subject [the difficulty and importance of analysis and interpretation in qualitative market research] (Price 2004, p.489), Craig Thompson, a founder of what is called Consumer Culture Theory, chose to use hermeneutic interpretive framework rather than semiotic analysis to examine how

‘Personalized consumption meanings then express a co-constituting (or dialectical) relationship between the social conditions and identity issues salient to a given consumer and a broader legacy of historically available frames of reference, rather than being purely subjective or idiosyncratic constructions.’

(Thompson 1997, p.441)

Whereas the focus on semiotics is on exploring what meaning is, and how meanings are made, that is, on the meaning process, within the core literature on which I draw the focus is on exploring what meanings are made, and by whom, and what these meanings do.

As Mick (1986) explains,

‘Semiotics takes two forms: (1) a general semiotics that seeks to answer, “What is the nature of meaning?” and (2) a specific semiotics that asks, “How does our reality - words, gestures, myths, products/services, theories – acquire meaning?” (Ransdell 1977)’. To address these questions, semioticians investigate the sign systems or *codes* essential to all types of communication for the latent rules that facilitate sign production and interpretive responses.

(Mick 1986, p.197)

Barthes’ critique of ideological elements of cultural order (which is built on semiotic theory) was hugely influential during the process of writing this thesis, but apart from this, my underpinning literature did not explicitly use semiotic theory. Within Key Terms section Meaning I discussed semiotics and ‘meaning’, and examine literature which considers money (and to a smaller extent price) from an explicitly semiotic point of view.

Within this body of work the emphasis could be seen to lie primarily on using Saussurean or Peircean frameworks to describe and categorise how money might be understood (e.g. by Perinbanayagam as a qualisign, sinsign, icon etc) – or was criticised because it did not do so sufficiently clearly (cf Perinbanayagam’s critique of Wennerlind). The semiotic literature contains very useful considerations of money as a form of (albeit impoverished) language, however the conclusions regarding the effects of money meanings, or how meanings were used in social relations, were often far more restricted than in the money-meaning research by Zelizer and Venkatesh, which is not explicitly semiotic.

As I am interested in whether and how meanings of money inform pricing discourses and whether and how these discourses are used in social relations, I have followed the methodological precedent set by those latter authors.

### **4.3 Research process**

Following research conventions which underpin most interpretivist research in contemporary consumer research (Hogg and Maclaran 2008, p.132) discourse is ‘treated as a potent action-orientated medium’ (Potter and Wetherell 1987, p.160).

Within this research the text under analysis - the discourse - is the spoken word and its variation in tone, pitch, speed and accompanying body-language, or its absence. It also includes other forms of communication, such as choice of venue and associated material artefacts (e.g. emails, price lists, pricing labels, prices, marketing materials, lighting) and behaviours (e.g. attendance at certain lectures, art shows and classes). Secondary data includes media articles and sources referenced by participants, and sources of field-specific ‘know how’ easily available to participants through frequently-accessed local institutions such as university art faculties and galleries.

The data was collected through anthropological study over a 3 year period of deep immersion or ‘deep hanging out’ (Elliott and Jankel-Elliott 2003, citing Wolcott 1999) in the context. Observation and semi-structured interviews were used to collect discourses of price and pricing from a meaningful and manageable array of participants in the local artworld. The aim was to gain an insider’s perspective on pricing practices, whilst simultaneously seeking to maintain an outsider’s analytical eye. Although I was already familiar with some artworld vocabulary and practices, through a ‘long series of often infinitesimal experiences’ (Bourdieu 2000, p.23) of artists’ *market*-related practices and discourses I began to realise that what I had thought were self-evident, natural, necessary, and therefore rational approaches to price and pricing were not universally shared.

The discrepancy between my understanding of ‘how to do price’, which I had learnt through years of business-school study (BSc and MBA) and years of working in industry, and the practices of the research participants ‘made me feel (...) in sensible and concrete fashion the contingent and arbitrary character of these ordinary behaviours that we perform every day in the ordinary course of our economic practices and that we experience as the most natural things...’ (Bourdieu 2000, p.23), and I became particularly interested in the power-relations that were produced, maintained, and challenged by the use of particular versions of ‘how pricing is done’.

Following the precedent of Thompson’s (2004) immersive approach in his study of natural health market-place myths, ideological agendas and power structures, and Venkatesh’s (2006) study of ‘hard circumstances’ money practices, an immersive approach was used in order to acquire fluency in the context-specific vocabularies and repertoires, to systematically collect pricers’ discourses of price and pricing, including where possible the haptic elements of those discourses, and to ground the analysis. As in Thompson’s study, I too have been involved in the research community – here the art community - for about ten years, and have been intensively studying this pricing context for the last three. Throughout the research I was mindful of the importance of ‘the looser qualities of ethnography (such as participant observation) which are (...) its core strengths’, (Norman Stolzoff, in Venkatesh 2005, p.348).

The three years of intense study of pricing practices within the context focused on improving my fluency in the art world market-related discourses in order to better understand the variations in meanings and the tensions within the discourses. To this end I was engaged in the organisation of two art trails, participated in one (as a venue-owner, not artist), and visited five or six trails each year. I read all price-related literature available in the local art institutions, and attended a wide variety of art lessons and art lectures throughout the research period. This varied involvement offered opportunities for hundreds of hours of observation, many informal

conversations with those pricing their work, and provided a variety of routes to recruitment for more formal interviews.

#### **4.4 Context**

The context of the research is the Bristol Art Trails, a rapidly-growing short-chain market phenomenon in which local artists are pricing their own work, and selling directly to the public. By looking at what might be termed an extreme example of a pricing context, it was possible to identify behaviours which would possibly be less visible in a more mainstream pricing context.

The art trails began in 2000, and are generally held as annual events, with each art trail lasting for a weekend, sometimes with a Private View on the preceding Friday night. As discussed above, throughout the research process I was able to gain access to a wide range of pricers and situations in which discussions took place. These data-collection opportunities included the art trails themselves, art trail meetings, art classes and lectures, artists' studios, and conversations at their houses and mine.

There are now 8 trails in Bristol, spread between April and November. Although run by different committees, the trail format is fairly consistent, and each involves about 100 artists, some exhibiting in more than one trail. Most work shown in the trails is for sale, and is priced.

The trails are organised by the artists by committee, on a voluntary basis. Subs are charged primarily to cover promotional costs, and vary from £5 to £45 per year. Trails include some community-based activities (e.g. an exhibition of work by local school children, and free art-related workshops) and include some public venues such as church halls, shops, cafes, pubs and restaurants. The emphasis of every trail is on the art produced by the trail artists, which is generally shown from their own homes or that of a friend. It is widely acknowledged that many of the trail visitors come to look at the houses as much if not more than they come to look at the art.

The art trails are very local events, as is reflected in their names: ‘Art on the Hill’ is the trail in the part of Bristol called Windmill Hill. ‘Southbank’ is a trail held on the southern side of Bristol’s central waterways, and so on. I have collected data from 5 trails. The localisation enables data collection across areas with a variety of sociodemographics, which I had thought might be of interest in the analysis. Socio-demographic census data were also used to support interpretations of each trail area (see Appendix for example).

#### **4.5 Data collection and data**

##### **Data collection:**

Following Potter and Wetherell, each data-gathering opportunity was seen as ‘a conversational encounter’, and even when eaves-dropping my part is understood as active and constructive, not neutral (Potter and Wetherell 1987, p.165). The word ‘interview’ alarmed many potential and actual respondents, whereas ‘chat’ seemed both more fruitful and more in keeping with an active and constructive philosophy of data-gathering. However, I use the word interview throughout the discussion below, reflecting the purposeful nature of those chats.

The data collection involved immersive participant observation activities throughout the intense three year research period and included both formal and informal contexts. Activities included visiting art trails (2days x 5 trails x 3 years), attending c25 art trail meetings (spread over the 5 trails), and opening my house as a venue on one of the trails for three years. I also frequently visited other local art contexts such as art classes and lectures, which a substantial number of art trail participants are involved in. I had formal and informal conversations with over a hundred artworld participants – artists, art trail visitors, art institute faculty and students - and recorded and transcribed twenty-six interviews with pricers, each lasting between one and three hours.

Participants range in age from early 20s to late 60s, produce a variety of type of work, have varied levels of involvement in the artworld and the art trails, and a range



of occupations and histories from ‘working on the bins’ (i.e. refuse collection) to senior faculty of the Royal Academy School of Art, London. Stepping a little further away than Bourdieu’s recruitment approach in *Distinction*, (Bourdieu 1984, p.74) where interviewees ‘were often a relation or acquaintance of the interviewer’, the majority of respondents in my research were acquaintances with varying degrees of separation, or strangers. One is a close friend, whose discourses of price and pricing often surprised me.

### **Data:**

The data consists of field notes, recorded interviews, material artefacts, reference materials, and secondary data such as radio programmes and newspaper stories. An example of the type of supporting socio-economic data I accessed is provided in the Appendix.

#### Field notes:

The field notes included instigated and overheard conversations related to price and pricing, haptic elements of those communications, observations of pricing practice, price data, and my reflexions. The field notes and research journal were an important part of my data collection, analysis and development of theory.

Many conversations were held opportunistically during the trails or other arts-related events, and as my pilot studies suggested that recording was seen as intrusive in these situations, field notes were made as soon as possible after the event, generally within minutes of parting. The conversations were short, and where possible were used to elicit a longer recorded interview at a later date, to be held in a venue of the artist’s choice. This was generally the artist’s house, sometimes mine, and on rare occasions, a public space.

#### Interviews:

26 semi-structured interviews were conducted, recorded and transcribed in detail (note: both audio and transcription data were used in analysis), with accompanying

journal notes. Most interviews were collected individually. Two recorded interviews were with two artists, and I also recorded one focus group. This consisted of four participants - 3 artists and 1 frequent art-buyer, who met weekly as a friendship group. They were intrigued by my research, and were willing to discuss their art-pricing thoughts and experiences in that forum.

Initially the interviews were open (“Tell me about your involvement in the art trails”), and became more explicitly focussed on price and pricing. On average the recorded interviews lasted an hour, some as long as 3 hours. Questions included respondents’ involvement in a trail, their type of work, and their experiences of pricing it.

Transcription of recorded conversations is verbatim, and indicates pauses, overlaps, variations in pace, and emphases. Time references are given once or twice per page of transcript to enable easy revisiting of the audio data.

Other data include resource material available at local institutions, emails sent by art trail organisers, official minutes and notes I took during art trail meetings, and the analysis of feedback forms which artists had completed at the end of a trail. Material artefacts include artist price lists, art trail marketing material, and press reports which are aimed primarily at those unfamiliar with the trails. The copy was usually written by the Promotions volunteer within each trail committee, and most emphasise the production element of the trails, which is in contrast to the literature associated with most other contemporary cultural venues (Peñaloza 2000, p.91).

#### **4.6 Coding and analysis**

The coding and analysis of the data was an iterative emergent process. As Venkatesh (2005) pointed out, in interpretive praxis ‘action and reflection (...) occur simultaneously’. The data collection, coding, analysis, hypothesis-development and testing involved frequent looping between the field, data and theory, in an attempt to understand the complex nature of the social interactions involved in pricing and in

talking about pricing. I was mindful of the clear warning within much of the socio-economic literature not to shoe-horn empirical findings into theoretical models, as reality tends to be rather more messy (Crouch 2005, ex-President of the Society for the Advancement of Socio-Economics), as well as Bourdieu's call for reflexion and critical analysis of 'the very form and content of what we think' (Bourdieu, 2000: 49).

As is appropriate to an interpretive approach, coding of instances of a particular category has been hermeneutic, involving multiple iterations within each record and across records, and a consideration of meaning within the whole, rather than of parts in isolation (Lavoie 1991; Thompson 1997). The emphasis was on understanding the situated meaning or narratives, and in acknowledging that different parties are all co-creators in the hermeneutic process of determining the context-specific meaning of the discourses of price. That is, meaning-making is considered to be a dynamic process, contingent on the historical moment of production, and a dialectic process, in that all texts are considered to be 'writerly texts' (Barthes 1972). As Barthes suggests, the 'reader' is also the 'writer' of the meaning, and will have their own interpretive repertoire and precedents with which to interpret, test and assess the 'speaker's' discourse and categorisations of money and object.

The analytical aim was to identify key categorisations and patterns of meanings that emerged across records and within records. Following Thompson's (1997) hermeneutic methodology, there were two levels of interpretation: (1) discerning the key patterns of meanings expressed by a given participant in the texts of his or her pricing-related stories, (2) identifying key patterns of meaning that emerge across the price-related stories expressed by different participants.

Working at the two levels simultaneously encouraged a deeper understanding of the complexities of category meaning-making and its uses, and enabled the construction of broad categories. It facilitated the building of a bank of instances for each category, and the search for patterns of variability (of content and form) and consistency between accounts.

Following Penalzoza (2000, p.87) and Velthuis (2005) I looked for and categorized emergent dominant themes and interpretive repertoires within and across discourses, using both emic and etic categorisations (Thompson 1996). The analytic unit was then refined in order to examine more narrow occurrences, regularities, and their hierarchical arrangement (Potter and Wetherell 1987, p.157). The process is necessarily a cyclical one of moving between the research context, analysis and coding, looking for the 'nuance, contradiction, and areas of vagueness' (Potter and Wetherell 1987, p.168) in texts. I was also mindful of the need to be critically aware of my own sense-making, although that is more easily said than done.

The analysis was also concerned with function and consequence. Based on the hypothesis that discourses are important because they *do* something (Potter and Wetherell 1987, p.160), in this case can be used as a means of positioning the participant, the second phase was a search for linguistic evidence of this.

The process of transcription of audio recordings was slow, and useful – the participant's voice becomes embedded in one's mind, keeping the tonal and pacing nuances of their speech alive. I found it useful to annotate transcripts in the style used in many school English Literature text books: I arranged the screen into two pages, with two documents running side by side. On each double-page spread I had text (the interview transcript) on the left side, and my notes on the right. This allowed room for detailed notes where required.

As each transcript was completed (generally soon after recording, and therefore sequentially) I printed out hard copies and used a variety of colour-coding frameworks in order to gain a feeling for variations in content and degrees of emphasis within and across discourses. What was coded, and how, developed throughout the iterative process of analysis as I accumulated data and gained a deeper knowledge of the context and data, and was able to recognise regularities and aberrations and to look for conventions and shared understandings.

## **4.7 Limitations**

**Method:** The study is limited to one researcher, and the combination of detachment and involvement required by the methodology can be awkward (Douglas 1982; Venkatesh 2006). It is important to acknowledge the unconscious ethnocentric prejudices which affect all aspects of the research process. However, as respected academics from Douglas to Arnould (1994; 2005) to Venkatesh have found, these are unavoidable, and despite these difficulties the immersion integral to ethnographic research is a useful way of collecting and grounding the interpretation of rich data which allows deeper understanding of culturally-informed market behaviours.

**Context and scale:** The research was limited by its focus on a small geographical area, its relatively short time-scale, the choice of one pricing field, and a specific group of pricers, the art trail participants. However, context specificity is understood as a fundamental element of ethnographic research. Whilst necessarily restricted in scale, this research was able to examine the discourses of price used by a varied and accessible group of pricers working within the same field. A small amount of exploratory research was carried out with pricers in other fields, and suggests that an examination of the embedded nature of discourses of price in other pricing contexts would provide rich insights.

#### **4.8 Summary**

In this research I conceptualise pricing as involving considerations of money, and, according to Zelizer (1994), money phenomena consist of and depend on social practices. In order to look hard at pricing as a social monetary practice embedded within other social practices it is necessary to collect data within, rather than abstracted from, the context, and at a micro rather than macro level. Following the example of respected and influential Consumer Culture Theory and socio-economic researchers such as Thompson and Venkatesh an interpretive ethnographic methodology was used to form the research questions, data collection method and analysis.

In short, this is ethnographic research, which used three years of deep hanging-out to collect data through semi-structured interviews and participant-observation. The participants are artists pricing their work within the Bristol art trails, which are a form of short-chain market. I used constant comparative coding within & across records, in the hermeneutic analysis of discourse repertoires that circulate in this artworld marketplace. I was looking for patterns of variability and consistency of content and form between accounts.

The research involved formal and informal conversations with over a hundred artworld participants, twenty-six recorded interviews with pricers (each lasting between one and three hours) and participation in a wide range of art classes, lectures, art trail meetings and art trails.

Other data collected include art trail emails, and lecture notes and classroom conversations from a local university art faculty and local schools of art, as a large proportion of the art trail participants attend or have recently attended these.

It also included material artefacts such as artists' price lists and exhibition blurb, media articles mentioned by research participants, art trail marketing materials, and resource materials available at the local libraries.

The aim was to gain an overview of the repertoires that circulate within the art trail context, to examine the price-specific content of these discourses, to explore money meanings within these discourses, and to consider how choice of discourse appeared to be used as a positioning device, whilst maintaining a non-paralysing degree of critical reflexive practice and awareness of subjectivity.

Following standard anthropological practice, I regularly tested my understanding and developing theories with pricers by getting it 'right', and seeing if I was 'rewarded', and by getting it 'wrong' and seeing whether there were sanctions or negative reactions (Fox 2004) . I also tested my on-going research with academics through informal discussions and formal presentations such as at the annual conference for the Society for the Advancement of Socio-economics (SASE), and the annual Consumption Theory PhD seminar.

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## **CHAPTER 5 FINDINGS AND DISCUSSION: Pricing and the research context**

### **Introduction**

In the art trail context, as in most pricing contexts except barter, thinking about price involves thinking about money. Although generally ignored within economic and marketing price theory, an explicit recognition of the centrality of money within pricing is important, as is the recognition of the embeddedness of those doing the pricing. Importantly, what are considered to be right and wrong ways to do price seem to be informed by construals of money meanings and their social uses, rather than purely economic considerations.

Prior work by Zelizer (1994), Belk and Wallendorf (1990) and Douglas (1982) suggests that money is a cultural object and, rather than being neutral, and may be interpreted in a number of ways. The ethnographic data collected in this research suggests that pricers, as well as consumers, interpret money in a variety of ways, and that these meanings matter: they shape how pricing is talked about and performed, because some ways of talking about pricing and money are seen as more apt or desirable than others.

Following Consumer Culture Theory precedent in which market practices are seen as social cultural practices (Arnould and Thompson 2005), this research suggests that pricing should be considered as much a socially-informed action as consumption is. If one construes pricing to be an embedded rather than abstracted action, it means that one understands it as being performed and discussed in a social context. By collecting data which includes the social and cultural aspects of the economic action of pricing it is possible to examine variations in interpretations of money meanings, and to try to understand why “the embarrassment of selling” (RJC, 33) may be construed by pricers as a desirable discourse.

The idea that selling may be spoken of as embarrassing seems to be linked to the categorisation of money earned through selling and pricing as tainting or dirty. The participants' categorisation is context-specific – it is not money in general which is dirty, it is an interpretation expressed in a particular context (e.g. an interview with me, or at the point of sale), of money gained by selling their art object, perhaps to a particular buyer. That is, it is a contextualised interpretation of money from a particular source.

Zelizer (1994) showed that people treat money differently depending on its source, form, holder, and earmarking, and that choice of interpretation re what money means in a particular context, and how it should be treated, varies from person to person. In contrast to assumptions that money and social relations should be kept separate and that overlap may be damaging to both the relationship (intimacy) and to economic efficiency, Zelizer's main theme is that money meanings are used within, rather than to negate, social relations (Zelizer 2007). Meanings of money, as with meanings of other cultural objects, are subject to negotiation, and display of particular interpretations may be used (consciously or unconsciously) in confirming and shaping social relations and relative position. This research explores how social meanings of money may inform pricing and how these uses reinforce social relations and social position. The research findings are divided into three chapters:

In Chapter 5 I discuss the embedded nature of pricing practice, as this underpins the other findings and discussions from this research.

In Chapter 6 I examine in depth the way in which varied conceptions of money appear and are used within the discourses. Comparing the findings with prior research by Thaler (2008 [1985]), Zelizer (1994), Belk and Wallendorf (1990), and Douglas (1982), I explore the variety of money forms, categories and rituals of category change within the price-discourse data.

Chapter 7 focuses on the social uses of the meanings of money within pricing discourses. I look at the use of money categorisations and associated pricing

discourses as affiliation signals, and examine the social and economic effects of getting right and getting it wrong. I explore ideas of the legitimacy of particular categorisations and interpretations before looking at how interpretations are learnt, contested and shared.

In the section ‘Community imposes constraints’ I consider the idea that ‘getting it right’ may not be economically advantageous.

Finally, in Chapter 8 I summarise each of the Findings and Discussion chapters.

## 5.1 Pricing as embedded social action

**‘Prices that end in 99p or 95p could annoy buyers of luxury goods and might be more appropriate to groceries’**

(Ruston 2007, p.125)

The idea of appropriateness of a particular way of pricing is not necessarily to do with economics, it is to do with shared ways of creating and understanding categories of good (luxury goods /groceries) and categories of ‘reader’ (here ‘buyers of luxury goods’). What -99p or -95p prices mean is not an inherent property or ‘nature’, instead meanings are socially constructed. That is, how to understand and therefore how to do price is learnt. Importantly, some interpretations are seen as more apt than others, depending on context.

Although economic, financial and marketing pricing assumptions and heuristics may be used by pricers, whether they are or not appears to depend not just on whether the pricer knows that heuristic, but also on whether they feel it is appropriate. The research data strongly suggests that economic maximisation is not necessarily the primary goal for all pricers, and it is clear that the pricers are not abstracted from society when performing pricing.

Market activity is intensely social (Granovetter 1985; MacKenzie 2006; 2009), and as discussed in the Literature Review, there is a growing swell in work within Marketing which focusses on exploring the cultural and social uses of consumption practices. My research makes a small step in addressing the calls to balance the currently consumer-centric approach by considering meanings as constructed across markets rather than being constructed solely or primarily on the consumers’ side of the market (Peñaloza and Venkatesh 2006). For Penaloza and Venkatesh, Granovetter and MacKenzie, production/supply is conceptualised as potentially as socially and culturally informed as the consumer side, rather than necessarily led by

abstracted economic rationale. Following their lead, in this research I conceptualise the market activity of pricing as being potentially as intensely social as consumption.

The difference in the way pricing and consumption is conceptualised in the extant literature is substantial and perhaps surprising. That is, the idea that consumption behaviour is driven purely by economic rationale would be deemed extraordinary in current consumption research, yet the vast majority of pricing literature seems to assume that pricers act in a social vacuum, and share a limited economically-focussed pricing repertoire. However, from this research data it is clear that the participants in this research are not necessarily economically maximising. Instead they are constrained by a dominant interpretation of 'how it is done':

'This Romantic myth of the bohemian artist is so deeply imprinted in our culture, that we feel quite resentful if an artist lives a normal, moderately prosperous, monogamous life outside the lunatic asylum.'

(O'Toole 1994, p.181)

That is, the shared repertoire is non-economically maximising. However, the participants are not pricing in a vacuum, instead they are situated within a wider artworld and wider social world in which there are a variety of understandings of 'how it is done', notwithstanding the dominant Romantic myth. The research participants have families and friends, they have jobs, they are consumers, they read newspapers, listen to radio programmes, attend art classes and groups, and many attend or have attended the local university arts faculty and/or the local school of art. These pricers are socially embedded, and, to reiterate, this does not mean that economic action is necessarily subjugated inside a social 'shell', instead economic and social actions are intertwined, each informing the other.

I suggest that the pricing is as socially embedded as Consumer Culture Theory research would assume the participants' consumption practices to be. From this perspective, pricing is informed by what one has learnt from all of one's sources of 'how it is done', not just economic or marketing theory and logic. The data within

this research supports the idea that people do not stop being socially embedded simply because they are pricing. Instead, people use pricing and discourses of price within their social relations, and the range of ways of interpreting and using price is informed by their cultural capital and actual or desired group membership.

From a rational economic theory point of view the aim of pricing is to cover costs and maximise profits. It is assumed that pricers will charge the highest price they can for their work, that they will charge ‘what the market will take’ and will use every trick in the book to part consumers from as much money as they can. This conception of the pricer as a maximising economic agent is widespread, and reinforced by books such as Poundstone’s bestseller: *Priceless: The Myth of Fair Value* (2010). Here, consumers are constructed as ‘irrational fools’, and pricers are construed as having ‘evolutionary advantages’, and indeed some pricers may like that idea of themselves. However, from my many years of experience of pricing and conversations with others who do pricing, once beyond the glib ‘Its supply and demand, isn’t it?’ response pricers tend to say that pricing can be difficult.

My experience of pricing and the difficulties experienced by pricers prior to this research project had been gained from working within departments which are responsible for pricing a wide range of products in a wide range of industries and size of organisation, ranging from health food to timber to electronic consultancy. The difficulty of pricing is not simply because it is difficult to know how best to maximise economic gain. Instead the difficulty appears to be because the pricer is aware of a number of different (and sometimes conflicting) possible ways of understanding price and pricing, but it is not always clear which is the ‘correct’ way to do or talk about price in a particular context.

In the research context simply engaging with the market was often construed as necessarily involving compromise (Romantic discourse):

“And now, the idea of producing stuff that I think is going to *sell* is a *completely different concept!*.....And one which I’m, I’m, having,... a *bit* a *bit* of difficulty with. Because... you *know*, ...you have to compromise.”

(RJ)

Throughout the core study and the pilot studies, when I asked pricers what they think about when they think about pricing their work, the initial response (especially amongst tradesmen) was often something economically bullish “What you can get!”, or, as many respondents glibly responded: “its supply and demand, isn’t it?” This mythical equilibrium price was mentioned at the start of interviews by many pricers across a wide range of fields. However, the participants then tended to move on to a description of their pricing practice framed as ‘this is how people like me with a product like this do price’, for example “In Bristol this is the rate all successful and busy solicitors (like me) charge.” (MJs, excerpt from email). Sometimes this was simplified to a statement which, through use of rhetoric, suggests ‘This is how it is done’, such as “It’s very formulaic, isn’t it?” (MRf).

What is important is that although MRf spoke of a formula, which suggests mathematical logic, on probing the formula contained inconsistencies and tautologies. Also, the formula was possibly different to that used by other pricers within his field (if they felt they had one, that is), yet MRf, like MJs, constructed his pricing logic and discourse as normal and desirable. ‘There is a right way to do it, and I know how it is done’ is the implicit message.

Other pricers explained how they priced by talking about what they did *not* do. I was told: ‘Some people may do it like *this*, but I don’t, I’m not like that’:

“the other maybe three or four dozen people...who had pictures on the Trail, I’m sure were mostly *trying* to *unload* their work, either graphic or 3D. Uh, some, had even got some *prints* ready, so you could buy something

cheaper, and you can see the prices, but you, you've got something you could actually afford, and walk away with on the day, whereas...(slowing down: ) / was trying to *not* let go of my *precious* babies"

(ML, 11)

The use of distancing and group-membership sentiments such as these within discourses of price strongly support the suggestion that whatever side of the market exchange we are on, we are embedded economic agents: economic action is social action (Granovetter 1985; Peñaloza and Venkatesh 2006). Within the data one can see how participants use discourses of price to shape and support relations and group membership, rather than simply following economic or marketing pricing principles.



## 5.2 Stratification within the context

### Introduction

As discussed in the literature review, pricing involves a categorisation of the object, categorisation of the money, and an interpretation of the associated commensurative rules.

In order to provide a contextualisation for the rest of the Findings and Discussion, in this section I introduce the ideas of the categorisation of the art object (a brief overview of the history of the Western art market is included in the Appendix), the dominant hierarchy by object category, and the variety of perceived pricing and money implications associated with a particular object categorisation.

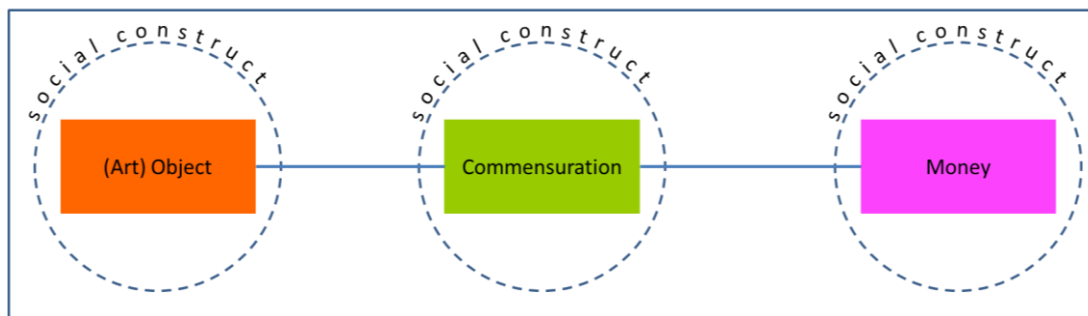


Figure 3: Relationship between constructs

### *Separate Spheres / Overlapping Spheres*

In order to examine the categorisation of the object as ‘art’, or ‘not art’, I use Kopytoff’s (1986) suggestion that the ideal Romantic discourse of art can be thought of as involving a separation of the spheres of Art and Commerce. Examination of discourses across the research data suggests that degree of use of discourses which

separate the art and commerce spheres relates to object categorisation and perceived hierarchical position within the field by type of work.

Using Kopytoff's conceptualisation of 'art' as one sphere, and 'commerce' (which is associated with concepts such as pricing, money and sales), as another, in the diagram below one can see the two extremes. On the left there are 'separate spheres' (higher status, Romantic ideal) discourses and on the right there are 'overlapping spheres' (lower status, contaminated) discourses.



**Figure 3: Art and Commerce as ideally separated/insulated (higher status Romantic discourse), and as overlapping/contamination model (lower status discourse).**

Whereas all of Velthuis' (2005) participants used the high status Romantic ideal discourses of separate spheres, participants within this research used a variety of discourses both within and across records, displaying a range of interpretations of acceptability/desirability of degrees of separation and overlap. The participants' discourses and their socially constructed meanings as having higher or lower status, or as being appropriate or inappropriate, appear to be a key tool in the participants' placing of object, self and other within the field, and inform categorisation of money and the pricing of the objects.

Within the research context high status is generally constructed through separation from commerce, using (Zelizer 2007, p.1059) a 'hostile worlds' perspective (Zelizer 2007, p.1059), in that money is interpreted as damaging. The key attribute of the context's Fine Art (highest) construct is that it comes from the soul, emotion, or mind. It is constructed as 'therefore' incommensurable, and is thereby separate from commerce and tainted money.

“FW: I can’t paint something because it will sell!

DW: Selling your soul”

(They both grimace.)

(FW, DW Field notes)

For some participants putting their work in an art market creates a tension between the wider capitalist construct that financial success is a good thing, and the artworld construct that financial success is a result of ‘selling out’. ‘Commercial’ therefore becomes a negative term. As a participant explained,

“the discussion always was about making money versus creative art: what made money and what didn’t and so on and so forth and how on earth were they ever going to make...have integrity in that without going dead with making just pot after pot after pot...”

(RM)

As well as an indication of the importance of the separate spheres model - “the discussion always was about” – the excerpt above contains the three key elements of the dominant Romantic conception of the field:

First, there is tension between making money and making art – they are constructed as opposites: “money **versus** creative art” (added emphasis); Secondly, creative art (which doesn’t make money) has “integrity”, and making other work which does sell would be “going dead”; and thirdly, iteration (“pot after pot after pot”) is the opposite of creative art: uniqueness is an important, maybe necessary, attribute of art.

The excerpt is also a good example of a discourse being used to manage hierarchical position through negotiation and display. “They” [the speaker’s parents] temper interpretations of their involvement with the market by displaying their knowledge of and agreement with the rule that art should be outside the market. Although they

made their living through selling their art (overlap with commerce), through discourses such as this they and the speaker are able to persuade others and themselves that they maintain a high position.

Within the data one can see a range of discursive repertoires enabling any connection between the spheres to be negotiated, masked, & rejected in accordance with one's perceived or desired position, and the degree of what could be called 'know that' and 'know how' (e.g. Schau, Muniz Jr et al. 2009). This is closely linked to Bourdieu's idea of cultural capital, in that the discourse which is chosen will depend upon the participant's knowledge of the range of possible discourses, how and when to use them, and knowledge of how particular discourses might be read by others.

Example of separate-spheres discourse:

"You can't base [the price] on the time and materials, but how do you put a value on the angst and torment that has gone in?"

(CP, field notes)

Here CP states that "You can't base [the price] on the time and materials", which is an explicit rejection of a standard economic cost-plus approach to pricing. This rejection signals acceptance and reinforcement of the (Romantic) way it is done round here. They then ask "but how do you put a value on the angst and torment that has gone in?" which positions the object even more firmly in the Romantic category. The two elements of the sentence work together to construct the desired 'separate spheres' discourse: to try to price the object is equivalent to trying to price emotion, and just as inappropriate. Art is incommensurable, and objective measures are inapplicable. Compare the Romantic market-rejecting discourse above with the discourse below:

Example of overlapping spheres discourse:

"I had a picture that size, A4, an oil painting..I think I sold one for about 40 quid! You think well actually, that's...someone got a bargain there,

considering the work gone into it, and the materials. Whereas now I'd probably charge 150 same size."

(DK)

Here price and pricing is non-problematic: the object is understood as commensurable. DK uses a cost-based approach without any hesitation, and what 'has gone into' the painting is "the work (...) and the materials" (oil paints) and a particular sized canvas (A4), not "angst and torment".

As Abbing (2002) pointed out, the current practice of masking or avoiding discourses of money and price by artists is shaped by historical precedent. Although there will be some variation, there is broad consensus regarding what is desirable or appropriate and what is not. The continued practice of avoiding or masking the involvement of money and price by those with high status in the field confirms the desirability of the avoidance discourse, and promotes its continued use as a positioning tool. Overlapping spheres, or the 'contamination model' (Zelizer 1994; Velthuis 2005) is thereby constructed as lower status.

Importantly, interpretations of 'how it is', and what is considered an appropriate discourse varies with knowledge of available discourses and their meanings, and a consideration of the likely interpretation by the listener. A significant variable in choice of discourse appears to be categorisation of the particular type of work produced, and its perceived or desired position within the art hierarchy. This is discussed more fully below.

### ***Art and Craft***

The terms 'art' and 'craft' are constructed within the research context as competing descriptions heavy with associations, value-systems, and membership categories (e.g. "but *I'd* call that craft", or "There were a *few* interesting pictures there, but most of them were illustration"). What is considered 'art' or 'not art' is a social construction, shaped by 'the scene' (Currid 2007) made up of influential collectors,

critics, dealers, curators, is embedded in history (Stallabrass 2004), and is therefore subject to change. Importantly for this research, the terms ‘art’ and ‘craft’ are connected to and reinforced by particular interpretations of appropriate money and pricing discourses.

Throughout this document I use the terms art and craft as opposite ends of the hierarchy as a reflection of the way the field is constructed within the research context. The distinction between art and craft is a sensitive one because it has social as well as economic implications. For example, when discussing the possibility of an interview, a gallery owner asked me with great delicacy, choosing her word carefully, whether I too was “a maker”. It is a reflection of the strength of the local ranking system that although the gallery-owner’s choice of words ostensibly avoided making the distinction between art and craft, it left me feeling slightly put out, wondering why she thought it unlikely I could be an artist. It was notable that the use of the term ‘maker’ increased during the research period, perhaps due to public use by high-status artworld organisations such as the Jerwood Foundation. An alternative term used within the research context is “a creative”, as in

“If you’re thinking about joining the civil service (pause for body language “Yeah right!”. Audience laughs) then you need to be careful about what you put out there. But creatives see each other in all sorts of situations, (laughs, shared by some of the audience), generally involving alcohol.”

Implication – that’s how it is done in OUR gang. Us creatives and Them civil servants. We’re not like them.

(Notes from lecture, discussion re use of Facebook and other social networking sites)

Apart from one instance (“I’m more of a technician, not a creative”), the term was not used by any of the research participants during their interviews. Within the local context the term ‘creatives’ includes a wide variety of type of activity and participant, as illustrated in the local publication which profiles advertising agencies as well as artists, animators etc.

Although from a romantic point of view a rose may smell as sweet whatever it is called, how the pricer categorises their or someone else's object does matter, as the 'art' or 'craft' categorisation informs their pricing discourse, pricing expectations, and indicates their understanding of the hierarchy and place in it. One participant (MP) described this as the "vortex of value", explaining that if you can persuade influential others that your work is good then its place in the 'art' hierarchy and its 'appropriate' price will head upwards in a virtuous spiral, whereas if the art or your discourse is disliked by influential parties its place and price can spiral inexorably downwards. A participant who holds particularly high art-world status compared to others in the study warned strongly about the dangers of putting one's work into the view of high-status taste-makers for exactly this reason: although the rewards might be great, the risk was too high.

As an example of object categorisation and its association with particular status and price, a participant told me:

"(I'm) moving from being 'just an illustrator' [the quotes are audible] to being an artist. I have struggled with this for years. People look down their noses [at illustration].

BUT! 'jobbing illustrator' has put a roof over our heads, and paid [for my children to go] all the way up to and through university!"

(MC)

Here MC was complaining about the dominant view that illustration is of lower status than art, given that illustration has demonstrably been an economically successful occupation whilst those who deride it (notably university lecturers and others in the intelligentsia) have had to find sources of income other than their art as their art has been (using a commercial criteria) unsuccessful. And yet their view was sufficiently powerful to persuade her to change the type of work she makes.

The emic object/sector categorisations and price discourses drive and reinforce one another, which means that the hierarchical positions are maintained. For example, despite using the same materials (e.g. paint, or ink) as much of the work in the higher categories, illustration is seen as lower in the hierarchy *because* of its close link with commerce - it is done to a paying brief, not from the artist's soul (ideal discourse, used to suggest incommensurability). Because illustration is seen as lower in the hierarchy an overlapping discourse is the norm and a separate spheres or 'hostile worlds' one would be inappropriate. The result is that 'I talk & price like this because my work is in a lower hierarchical position, and at the same time it is in a lower position because I talk & price like this'. That is, the relationship between object categorisation and pricing discourse is dialectic and co-constitutive, not one-directional.

Some craft participants had removed themselves from the marketplace because of the apparently expected degrading effect of being driven by the market. For example, one told me that she now only does photography "for donations, you know, because I don't want to be a wedding photographer! (grimaces, with shoulder shrug/two-hand palms-upward gesture of "you know?")" (B) Here "wedding photographer" is used as shorthand for someone whose artistic or creative integrity has been sapped by the need to make money and the demands of paying customers.

Another participant told me

"I mean, this last year, I hurt my back, and I wonder whether it's a blessing in disguise! Cos it's given me time to think.

And I've realised.. I was going sort of flat out for four years, and thinking I was just.. making a scraping, really. Just getting by. And it's killed the creativity. In me. I've realised."

(PP)



Within the context creativity is seen as having high status, and is linked to integrity. Both are construed by many within the context as being jeopardised by commercial concerns. PP has stopped “going flat out” making craft, and found another source of income to free him to make more ‘creative’ work. That is, ‘creative’ work beyond commerce (separate spheres) is seen as more desirable. What is construed as less- or non-creative work is sometimes spoken of apologetically, sadly, or defensively: “I’m only an illustrator” or “I’m more of a technician, not a creative”, or “I’m only a photographer”.

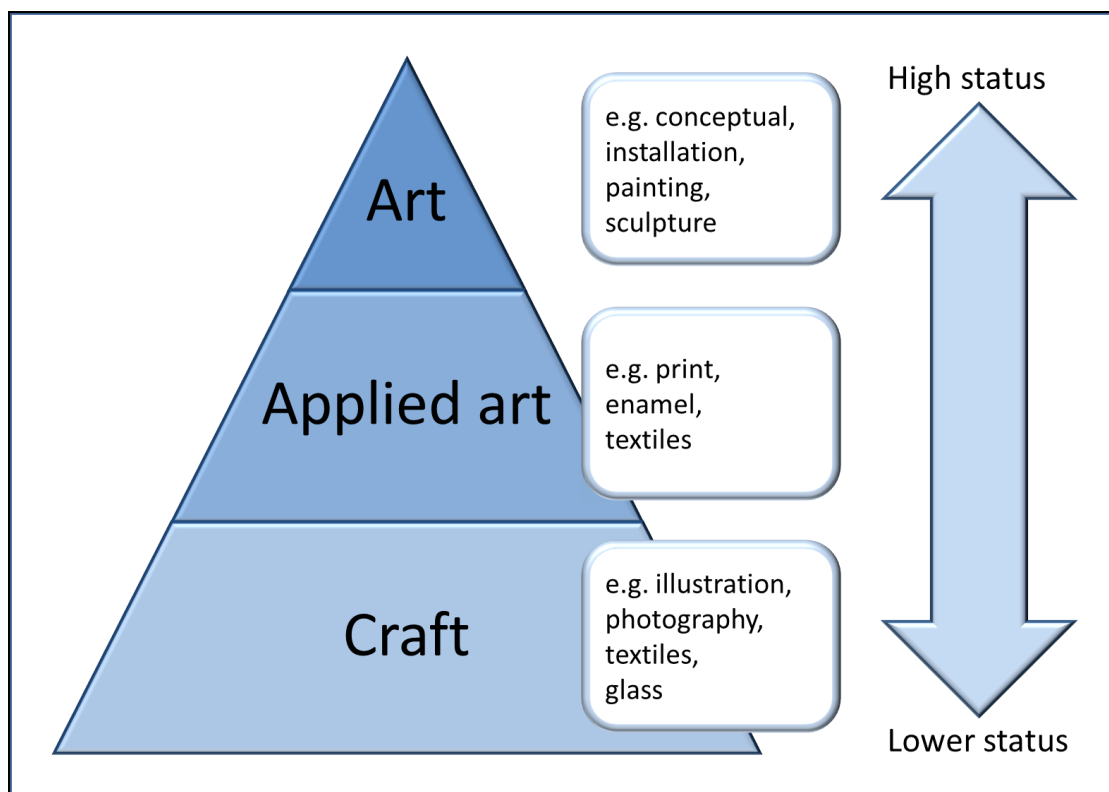
In contrast, I never heard anyone say ‘I’m only an artist’. Instead, the high status of artist was reinforced by for example two highly respected local painters who both said that they were hesitant to call themselves ‘artist’.

Within academia and the intelligentsia the alternative term ‘Applied Arts’ has become common, and is used to imply ‘not quite art but not as low as craft’. That is, applied art has an intelligentsia-ideal cerebral element which ‘craft’ does not. Some participants (ES and RM, for example) criticised the term ‘applied arts’, and described the drive behind the re-naming as an “over-intellectualisation” of craft when ‘craft’ should be respected and need not be tied to assumptions of folksiness and functionality. This variation of object categorisation and positional uses of the variation are discussed in more detail in the section **Money Categorisation by source: the Art/Craft object divide.**

Viewed from the outside and from above, relative positions within the art/craft hierarchy appear fluid and negotiable. This fluidity was very publicly demonstrated by the judges of the prestigious Turner Prize, who in 2003 awarded the (art) prize to Grayson Perry for a body of ceramic vessels. This was a clear challenge to the more usual craft categorisation of ceramics. Within the research context a few participants apparently shared the judges’ view and contested the validity of the dominant art/craft divide and the limning criteria. One (RM) referred to the Turner Prize judges for legitimisation of her own challenge, and in doing so positioned her critique as having high status. Despite the theoretically provisional nature of the hierarchy,

and the presence of dissenters, the vast majority of participants appeared to see the hierarchy and the place of their work within it as immutable.

The diagram below gives some idea of how the hierarchy is constructed within the data. The diagram should not be seen as representing the number of artists involved in each sector. The aim is to show that some types of art object are seen as having higher status than others.



**Figure 4: Hierarchy of the field by object category**

Figure 4 shows the dominant interpretation of the hierarchy by medium/approach within the research context. Two important points about this diagram and the idea of hierarchy are that

a) it is a rough guide, not rigid – there are paintings which are considered ‘illustration’, glass objects which are considered ‘art’, and so on. Hierarchical position may be contested, as object categorisation and positioning depends on knowledge of the conventions, and context-specific interpretation of the conventions;

b) the construction and maintenance of the hierarchy is determined by and determines categorisation of art objects within the research context. This in turn shapes discourses of price of those objects, and categorisation of the money associated with pricing that object. That is, there are conventions of object categorisation, and money and price conventions associated with each object category:

“Yes, it [pricing] is extremely difficult, because it depends on your... specific.... discipline as well, doesn’t it?”

(BD)

‘each product group may have slightly different pricing conventions’

(Ruston 2007, p.125)

Which means that if a participant works in more than one medium,

“All the prices need to make sense with each other”

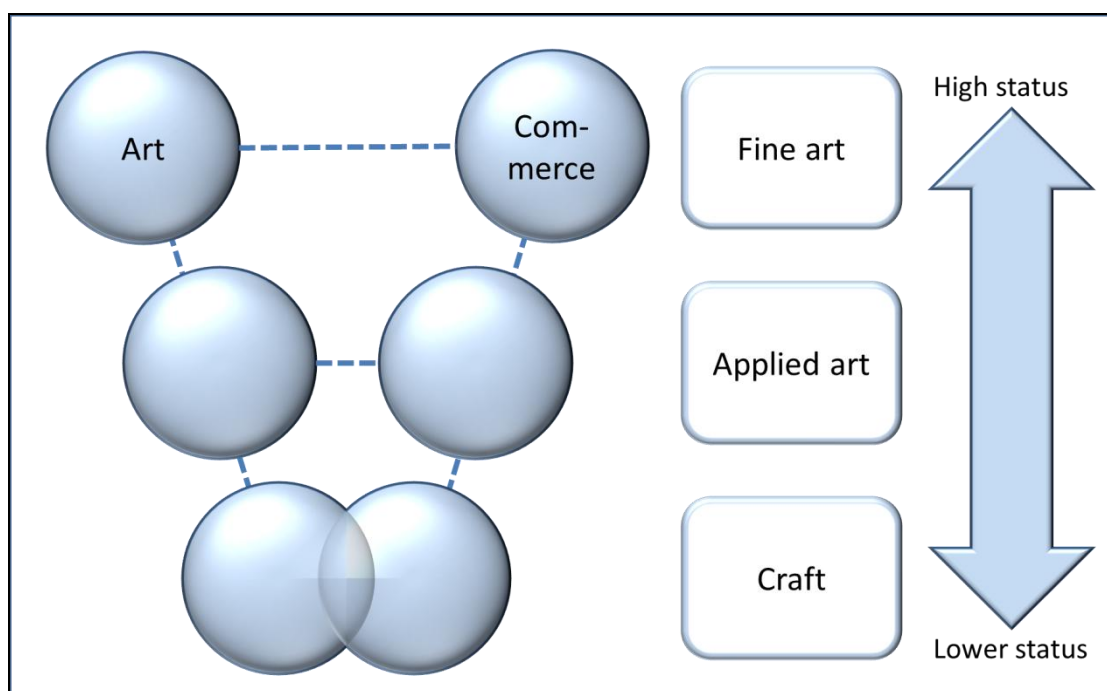
(MJ)

The details of the pricing relationships given by each of these participants are examples of the arbitrary cohesiveness of pricing practice within the data. Within the data and the wider artworld there are some widely-shared ideas of what are logical

pricing relationships, such as the 'rule' that oil paintings are more expensive than acrylics, and that paintings are more expensive than prints, and that size matters. The strength of the 'rule' is visible in that although there are many examples in which these rules are broken, these instances are generally accompanied by an explanation for the rule-breaking, or by the viewer constructing a reason for the rule-breaking.

To return to the models of categorisation of type of object and associated discourse, the Romantic myth (dominant discourse) is that high status is determined by distance from commerce, low status by perceived overlap (Abbing 2002; Bradshaw and Holbrook 2007).

Combining Figure 3 (separate or overlapping spheres) and Figure 4, (hierarchy by object type) produces a diagram showing the hierarchy of work by perceived degree of separation between the spheres:



**Figure 5: Hierarchy of work by perceived degree of separation between the spheres.**

Within the data the dialectical and co-constitutive relationship between perceived hierarchical position of the object and particular discourses of price appears strong. For example, MC talked about price and pricing very differently depending on how she categorised the object: (Interview and notes, slightly annotated for clarity)

MC told me about two pictures that she was currently working on in the role of artist. That is, they were not commissioned by a publisher, so she

classified them as ‘art’. One of these pictures already had a would-be buyer, someone she knew socially, but she said that she was unsure how to price it for this buyer, and appeared unsure how to ‘do’ the price conversation with him.

I asked what she would charge a publisher (thereby overlaying the category ‘illustration’, which is associated with ‘craft’), as she is very experienced in pricing her work for that market. She immediately turned and rummaged on the shelf behind her, drew out a piece of paper, and spoke quickly and surely:

“Its about this size.

(...)

I’d charge £250 for the smaller one, the one for him, and more for the bigger one [which is to go to a high status local gallery].”

(MC)

The ‘illustration price’ given above (that is, she was imagining pricing it for a publisher) was given very quickly, clearly, and with no fudging. Here there was no problem overlapping the spheres or using objective parameters such as size. Her clarity when using a ‘craft’ categorisation suggests that it is her decision to categorise the piece as art (rather than as illustration) which is causing her pricing dilemma.

I asked whether she would charge the would-be buyer (i.e. re-categorising the object as ‘art’) that £250 price, and her tone and body-language changed from assertive to unsure as she imagined herself in the artist:buyer sales conversation situation, and addressed the invisible buyer:

“I could say “For the publisher I’d price it at £250.....what do *you* think?””

(MC)

She then said she'd be ok with one fifty (£150), but not very happy [with that amount] (...). So [she] tried again, again addressing and deferring to the invisible would-be buyer:

"For a publisher I'd price it at that, so I'd like to sell it for something similar....What do *you* think?"

(MC)

This reticence ("I could say". "I'd like to" and "what do you think?") when naming a price, and her deference to the buyer, was very unlike her illustrator surety ("I'd charge.."). When in illustrator mode she was quick, clear and decisive re prices, but when she was in artist role (a move she sees as a step up in the artworld hierarchy) she became hesitant, reticent to apply her illustrator knowledge, and apparently unsure of art-pricing rules apart from that she should avoid talking about it. It appears that as a direct result of her desired to categorise her work as art rather than illustration her pricing speed and certainty evaporated, and the price became negotiable (downward).

When I asked what she would do if the would-be buyer asked her to adjust the picture e.g. 'a bit more blue in it' , which would be a typical publisher request, but is widely deemed inappropriate when buying art, she sprang back into illustrator mode, and in a cross voice said:

"If that (?bugger) asks for that I'll tell him ok. But that'll be another 200!"

(MC)

There are a number of possible explanations for her change in pricing approach depending on object categorisation, but many of these were addressed elsewhere in the conversation. For example, MC had already considered that whereas she would know a publisher's budget, she did not know what the buyer would be able to pay, but she had thought about that and feels he has ample funds.

Another possible explanation is that she might think he has greater artworld knowledge than her, but she had been thinking about that too, and elsewhere in the interview she queried this idea, in particular his ability to recognise what category her work was in (implying it was very good) and the going rate for that type of work (implying that she knew it, and that he would underestimate it). MC had been dropping the buyer hints about the standard of her work by mentioning the name of one of the publishers she does work for, and, as her husband had suggested, she felt she should “make [the buyer] pay for quality!”. Yet despite this reinforcement of her position, in her run-through of the conversation she had deferred to the buyer rather than make a clear pricing statement.

The example of MC is very useful in demonstrating the importance of object categorisation in pricing practice, in that her change of discourse reveals that she understands that there should be a change of discourse to accompany (and perhaps reinforce) the change in object category from illustration to art. It appears that MC interprets an ‘artist’s discourse’ as being one of discomfort with pricing discussions, and therefore of pricing indecision and lack of confidence. Her interpretation of what pricing discourses are appropriate may be due at least in part to her years of teaching in and attending tertiary arts education: from discussions beyond the interview MC is very aware of an object hierarchy, and very familiar with the ‘separate spheres’ discourses and their use as a positioning tool. Her conversation suggests that she ‘knows’ that the way an illustrator does pricing with a publisher is inappropriate for an artist selling art, and that conversations re money in an ‘art’ context are *de trop*.

MC’s wish to move from being ‘just an illustrator’ to being an artist reflects the perception that art has a higher status than illustration, even though the move has clear ramifications for her ability to earn money from her work. In terms of maintaining the social and object hierarchy her behaviour is very useful to those who benefit from the status quo: although she is a very able artist she is shy about considering herself part of the ‘art group’, which performs the dual function of reducing competition and reinforcing/increasing their stature. That is, she confirms



the higher status of art and art discourses through her use of the hierarchy rules which exclude her.

***I, like Adorno, like my art to be difficult***

A key source of distinction within the research context was the use of what I term the ‘intelligentsia’ discourses. Here the focus is on complete rejection of the market and populist or “traditional” art, in preference for “difficult”, “challenging”, “visceral” work rooted in “key experiences”. In contrast to both the craft and the higher status bourgeois discourses (the ‘Clifton Ladies’ discourse, using an emic term), within an intelligentsia discourse the words “pretty”, “attractive” and “craft” are used as derogatory terms.

“people who exhibit at art trails want to sell their work! And um, on the whole, um, they tend to produce work which is attractive, which will look good on somebody’s sitting room wall, and that isn’t the kind of work that I’d been... producing, in the past , and um

SS: (unclear..?which was?)

RJ: Well, it was ....Because, a) I was at art college, I’d been at one kind of art college or another for the previous ..... 5, 7 years, and... the tutors were trying to draw out of me...um key experiences, which I then used to ....um..to make... art work.

(.....)

I’d done stuff around... the loss of my two grandfathers [pitch rises on ‘grandfathers’]; stuff around my relationship with my sister [pitch rises on ‘sister’], which is horrendous [pitch rises]; stuff around my mother’s death [pitch rises]; and more recently, um stuff about my experiences in the second world war [all at a high pitch]; and I did actually decide to bring

some of that stuff to the trail. Um, some of it which wasn't for sale, but just I wanted to share it with people, a few pieces were for sale,

SS: from that body of work?

RJ: yeah. But um it was kind of ins installation-type work that I'd done before, and it wasn't... the kind of work people'd want to put on their sitting room walls.

(...)

from the point of view of the tutors, they they wanted it to be interesting, they wanted it to be thought-provoking, um and um to come from the heart, um, and.. gearing it, the tutors would never give you advice well if you did this or this it might be more saleable"

(RJ)

The intelligentsia discourse was very visible within the research context, probably because of the close contact many participants had with the local university art faculty. Within the intelligentsia discourse the rituals which mask overlap were to treat sales as an after-thought, or, better still, to avoid obvious selling and instead apply for grants and residencies.

### **5.3 The co-constitution of categorisation of art object and money**

Within the research data art objects are construed as holding a position in the wider art hierarchy. That is, items categorised as 'craft' are understood to have a lower status than those categorised as 'art'. Although there is a shared idea that there is a hierarchy, interpretations of the hierarchy vary, as does the categorisation of object and interpretation of the place of that object within the hierarchy. In this section I have given a brief overview of the hierarchy by object category, and its close relationship with interpretations of the overlap between the spheres of art and commerce.

Within the research context there appears to be a shared interpretation that a connection between type of object, hierarchical rank and the appropriate money-related discourses exists. That is, the relationship between object categorisation, money categorisation and ‘correct’ pricing discourse is construed to be dialectic and co-constitutive, rather than uni-directional.

For example, craft is generally deemed lower status because (to paraphrase) there are no tormented souls being poured into craft. There is ‘therefore’ no need to keep money and object apart. Because the commercial and art spheres then overlap, making the object is associated with money not soul, so the object is of lower status and lower price.

Within the research data high status is constructed through an adoption of a separate-spheres discourse, which rejects overlap between art object and commerce /money. From this position money earned from selling art is categorised as contaminating, profane, or dirty. At its extreme the effect on pricing is that any connection with money is avoided by showing un-sellable work such as site-specific installations (an intelligentsia discourse), or by labelling work Not For Sale.

According to prior literature (e.g. Kopytoff 1986; Abbing 2002; Bradshaw, McDonagh et al. 2006; Bradshaw and Holbrook 2007) and the research data, art ‘should’ be kept separate from commerce if it is to retain its high status. The perceived degree of separation or overlap is both informed by and informs object categorisation. This in turn appears to inform pricing discourses, as demonstrated in MC’s example above. As will be seen in the following sections, object categorisation has implications for categorisation of money earned by pricing the object, and for the associated discourses of price.

## CHAPTER 6 FINDINGS AND DISCUSSION: There is money in pricing, and its meanings matter

### Introduction

A recent anthropological study which includes an examination of the money practices of the English (Fox 2004) suggests that in the wider context in which the research takes place 'there seems to be almost as much of a taboo on making money as there is on talking about it' (p191), and that we 'obey the rules despite their often deleterious effect on our business dealings' (p192).

In the research context pricing involves a consideration of pricing as an opportunity to acquire money, and a consideration of how much money is equal to the art object being priced. Here I examine in more detail the concept that there are multiple monies rather than one, neutral, money, and that objects are similarly subject to multiple categorisations. As a result, commensuration involves thinking about how much of a particular category of money is equal to a particular category of object. The associated commensurative rules (including whether the object and money are commensurable) are decided through a social process, and are a source of power (Espeland and Stevens 1998).

Consider PP's ease and delight with the idea of comparing money and art object, with RJC's discomfort:

"And I can remember thinking "money" "clay" "Money" "Clay" (pretending to holding clay in one hand, money in the other, lifting first one then the other, looking at each in turn, in wonderment. Growing smile. Both laugh). And that was the first realisation [that my art could be a source of money]."

(PP)

“... I can appreciate there [can] be lots of profound human issues tied in... with making a painting and all that you pour into making a painting and then selling it financially.”

(RJC)

Here PP is delighted by the idea that he can earn money from his art, whereas RJC constructs the idea as problematic. In order to explore the reasons for this difference Zelizer's (1994) theory of money meanings is usefully invoked, as within the data the reasons for choosing or rejecting pricing and for choosing a particular approach to pricing appeared to be specifically to do with the categorisation of money earned from a particular source – art. The findings support Thaler's point that people (he concentrates on consumers) mentally allocate money to different pots, and treat money differently depending on which pot it is in. However, the findings suggest that how money is categorised or allocated will vary from person to person, rather than necessarily shared. This variation in money categorisation and pricers' interpretation of associated corollary behaviour supports Zelizer's suggestion that money meanings have social roots and social uses.

Zelizer (1994) suggests that money categories and their meanings depend on the form of the money, its source, who holds it, and how it is earmarked. These aspects are inter-linked, they mutually inform one another. That is, the source may substantially inform the earmarking, as discussed by Belk and Wallendorf (1990), and the earmarking can 'allow' a re-categorisation of the money despite the source.

As an example, pocket money is generally legal tender, often coins (physical form of the money), which is given by a parent (source) to a child (holder), and earmarked through negotiation and shared understandings between child and parent regarding what is appropriate for pocket money. Some families might think sweets/treats is an acceptable earmarking, others might expect the money to be saved, and the earmarking is part of the categorisation of the money as pocket money. The money categorisations, meanings, and the corollary rules are learnt from one's parents and perhaps adjusted by conversations with one's peers re how *they* do it. As one of my

participants told me, the different ways she segregates, treats, and earmarks the monies she earns from various sources (including selling her art) had been learnt as a child: “You’re taught to do that” (M, 156).

The longer I spent in the art pricing context, the more I became aware that pricing discourses have a meaning beyond the economic, they are a positioning tool which signals the participants’ understanding of ‘how someone like me does pricing of an object like this in a context like this’, and these discourses are underpinned by interpretations of what are acceptable meanings of money in this context.

As with Zelizer’s (1994) findings, within my data money categorisation and its associated rules and behaviours appear to be used to demonstrate being part of the family or group. The categorisations and associated rules are presented as a logical practice, a representation of ‘how people like me do it’.

### **Money Categorisations**

The table below (Fig. 7) outlines the variation in which categories of money are used within the pricing discourses. I take each section of the table in turn: I first look at similarities and differences in categorisations of the source of the money. I then move onto categorisations by earmarking, before moving onto a discussion of what Zelizer (1994) calls the rituals of category change. In this context the rituals of category change are used as ways of cleaning the money earned from pricing art. As discussed before, within the research context ‘craft’ is an emotive, often derogatory term. I use it here warily, without negative connotations, but to reflect contextual segregative practice.

MONEY		OBJECT CATEGORY	
		ART	CRAFT
SOURCE	Object	<ul style="list-style-type: none"> <li>- Avoid discourse of selling object, or construct sales as incidental (cleaning discourse)</li> </ul>	<ul style="list-style-type: none"> <li>- Not problematic</li> </ul>
	Buyer	<ul style="list-style-type: none"> <li>- Good home', 'gets it', 'like me'</li> <li>- desirable biography (cleaning)</li> <li>- Dirty money, 'doesn't get it' – avoid sale / barter</li> </ul>	<ul style="list-style-type: none"> <li>- Irrelevant</li> </ul>
EARMARKING		<ul style="list-style-type: none"> <li>- Avoid mentioning earmarking.</li> <li>- 'Money not important' (cleaning).</li> <li>- Use of 'what it is not' discourses.</li> <li>- Art for art (cleaning)</li> </ul>	<ul style="list-style-type: none"> <li>- Mundane.</li> <li>- Source of pride.</li> <li>- Art for production costs/materials</li> </ul>
RITUAL		<ul style="list-style-type: none"> <li>- Avoid talking about £ and selling.</li> <li>- Use the 'right' discourse' to mask £ element and clean.</li> <li>- Disguise £ exchange</li> </ul>	<ul style="list-style-type: none"> <li>- Pragmatic money-handling</li> </ul>

**Figure 6: Discourses of money source, earmarking and ritual, by Art/Craft division**

Within the data the use of money-related discourses appears to depend on

- a. how the participant categorises the object being priced along the continuum from 'art object' to 'craft object', and
- b. the participant's knowledge of what is considered an appropriate repertoire of money/market discourses for that object category.

The money discourses are an important signal of how the participant categorises the object they are pricing, and appears to shape pricing possibilities as well as pricing discourses. Each element – money source, money earmarking, and money-related ritual, is discussed below, illustrating the difference between the art and the craft repertoires.

### **Categorisation by Source**

Pricing an object turns it into a (potential) source of money. Given the importance of source in money categorisation (Belk and Wallendorf 1990; Zelizer 1994), it is perhaps not surprising that the main money categorisations within the data appear to be closely linked to categorisation of the object being priced.

As suggested in the *Stratification* chapter, if the participant regarded their work and object as more Craft, then money was more likely to be categorised as unproblematic and money and pricing was more openly discussed. If the participant regarded their work and object as more Art, then money and commerce were likely to be categorised as unmentionable. Statements such as “but how do you put a value on the angst and torment that has gone in?” were a positioning discourse, used particularly at the beginning of the discussion to signal the maker as 'artist', the object as 'art', as it makes it very clear that the speaker knows the Romantic ideal discourse of the incompatibility of art with commerce/commensuration.

In the research context there seemed to be wide awareness of the overarching Romantic myth that price and money should be treated as unwelcome topic. Over the



years of observing artists, the topics of money and price were conspicuous in their absence.

In art classes and their breaks, exhibition private views, staff room conversations, art trail meetings, money-related topics were occasionally broached, but then usually discretely pushed away or ignored. Where money matters were ‘acceptably’ introduced, it was tangentially. As an example of this side-stepping of direct mention of money, to say that an artist earns their living from their work, which makes the connection between the mundane, commerce, and art explicit, is considered rather gauche by the higher-status participants – one should say instead that they are a practicing artist. This has the same implications re substantial sales and prices, but shows that one knows that money should only be mentioned obliquely, and that one knows the correct way to do that. If someone asks for clarification, they clearly do not know this discourse, and will be understood to hold a lower position in the art-related social hierarchy.

The root of the discomfort with money conversations in this context appears to be the Romantic idea that money (commerce) and art should be seen as ideally separate spheres (Kopytoff 1986), because money is dirty and contaminating. In this research context, as in the wider art world, money is integral to pricing, but, according to the dominant ‘ideal’ view, should be treated as unwelcome, irrelevant, and dirty, if one’s object is to be considered Art.

### **Purpose of Categorisation**

Comparing her anthropological work in Africa with her Western milieu, Douglas realised that she, her friends and other modern Western money-users attempt to ‘primitivize’ (*sic*) their money by ‘placing restrictions at source, by earmarking monetary instruments of certain kinds for certain purposes, by only allowing ourselves or our wives certain limited freedoms in the disposal of money’ (Douglas 1982, p.74). That is, in the same way that the Lele people used two different currencies, woven raffia cloths and Belgian Congo francs, for different types of

transaction (e.g. trading outside the clan or within it, or trading particular items such as brides), we create our own different currencies by mentally assigning legal tender – perhaps from different sources - to different categories, and these are treated as having specific earmarking and spending practices. Douglas says that we perform this primitivizing primarily because we wish to decrease the fluidity of money, we want to slow down its exit from our hands.

However, whereas consumers may wish to decrease the fluidity of money, economic logic suggests that pricers would be interested in *increasing* the flow of money *into* their hands. If categorisation and associated rules only perform a slowing function one would not necessarily expect pricers to use similar practices.

Rather than categorisation practices being solely an attempt to reduce liquidity, as Douglas suggested, Zelizer points out that we, (like the Lele studied by Douglas), create distinctions between different monies and associated practices because doing so is important and useful in maintaining and creating social relations. This is discussed in more detail in chapters 7 and 8.

### **Rituals of category change**

The monies used within this context are generally differentiated through mental categorisations rather than variation in physical form. Changing money from one category to another involves rituals of category change such as those used in changing wages into pocket money, or into birthday money, or into a tip. Each of these category changes involves a discourse which is understood by the participants as performing the category-change function. Shared understanding of the need for and success of the ritual emphasises the relationship between the parties (Zelizer 1994).

Rituals of category change are important, because as I will discuss below, how the priced object and money are categorised informs pricing discourses and pricing options, and may influence whether or not there is a successful sales outcome. The data suggest that if a pricer can negotiate a change in the categorisation of

object/money for example from craft to art, and from dirty money to clean money, it may be beneficial socially and economically. What is important is how the money is perceived to be perceived, not simply its objective qualities or actual uses.

## **6.1 Money – physical forms and mental categories**

### **Introduction**

This chapter is divided into two main sections. Following prior work by Douglas (1982) and Zelizer (1994) which suggests that form is important in money categorisation I begin with an examination of categorisation by physical money form (cash, cheque etc), and the effect on pricing. I then look at mental categorisation of money by source, holder, and earmarking within the discourses of price and pricing. In later chapters I consider the social positioning uses of particular categorisations and interpretations, and how they are learnt.

It is important here to point out that within and across records participants may hold incompatible and inconsistent beliefs about money categorisations and their appropriateness. Categories are fluid, and throughout the data one can see what Zelizer terms rituals of category change. These rituals are used where participants interpret the money as belonging to an undesirable category, or perceive that others might interpret the money as belonging to an undesirable category, and the speaker therefore wishes to change the categorisation. The participants therefore perform what they understand to be a ritual of category change, in order to affect how they (and others) categorise the money. That is, assuming shared interpretation, they use discourses to show that they choose one category over another because it is understood as important to do so.

In this pricing research the money received and discussed is money earned from selling the pricers' art object. Prior research and data collected during this research suggests that money from pricing art may be construed as dirty money which needs to be cleaned through the use of discursive practices (e.g. of earmarking) which are understood to work in that way.

Work by Douglas (1982) shows how different forms of money - coins and raffia - were used by the Lele, and were used for specific types of transaction. The transactions and choice of money-type were shaped by and reinforced social relations. Zelizer's (1994) work shows how, rather than being the preserve of 'primitive' peoples, this is very similar to contemporary Western money practices. For example, she shows how American people use money categories and forms in their social relations. They create different forms of money through categorisation (e.g. pocket money, tips) and associated practices, and are also continually inventing new physical forms of money such as coupons and vouchers. Zelizer data shows how money-practices are used and interpreted as signals of cultural capital and social position. Within the data collected by my research we can see all of these practices: the use of different physical forms of money, the creation of new forms of money, the understanding of money as belonging to different categories, and the use of money practices within social relations.

I look first at the different physical forms of money used within the research data:

### **6.1.1 Money – Physical forms**

The physical form of money matters (Zelizer 1994), and knowing the context-specific meaning of particular forms is an important social skill. For example, depending on context, to hand over a collection of random coins as a birthday present would generally be seen as an insult, whereas a crisp note in a special card (a ritual of category change) would generally be seen as more appropriate, that is, it is more socially acceptable, it conforms to ideas of 'how it is done'. Here I look at the variety of forms of money used within the art trails, discuss how they are interpreted by participants, and discuss the relationship between physical form and pricing.

I begin with the smallest section, the creation of new forms of money, before moving onto other physically different forms of money.

### *New forms of money - vouchers*

During the research period no new forms of money were mentioned until this summer, when one of the trail committees announced that they would be introducing an art trail voucher, also referred to as the trail token. This development supports Zelizer's (1994) suggestion that we are always creating new forms of money. It is not yet possible to see how the vouchers will be categorised by the participants, nor the effect (if any) on their pricing practice.

### *Existing forms of money: cash, cheques, electronic, spread-payments*

The money used within the trails is generally in the form of cash or cheques. It is interesting that what could be argued to be the least obvious form, electronic money via a VISA machine, caused significant offence. I discuss each of these forms in turn: cash, cheque, and electronic money, followed by a brief note on spread-payments.

#### *Cash*

During the trails I witnessed many slightly awkward and embarrassed exchanges of money, and handling cash seemed to be (by a small margin) the most problematic.

Following precedent in the use of introspection by Becker (1991) and by Douglas (1982, p.57), in which she examines her own experience of money, introspection re my experience with handling cash provided some insights into the unease apparently felt by the artists:

I have a friend who for the last couple of years has stayed at my house for two nights a week, as he and his family live too far away from his job for a daily commute. At my request he always leaves his cash payment on a window-ledge in the kitchen rather than handing it to me, even if we are in the same room. At the beginning there was unspoken query (raised eyebrows, him) and acknowledgment (a shoulder shrug, me) that this was slightly odd, but I suggest we perform this ritual because I do not

want the transaction to be too bare, although there is no ‘logical’ reason why it should not be. To me the money form – cash – is explicitly commercial, and as such threatens the friend relationship (what Zelizer terms the contamination model), and therefore the money needs to be converted through a ritual of category change. To me, putting the cash on the window-ledge performs a masking function, which cleans the money.

Naturally I wondered how my friend interpreted the transaction and the ritual, and again from reflexion regarding my own experience I suspected that ease with money-handling varies with whether one is the payer or the recipient. This matters, as pricing something puts one clearly in the role of recipient, and whereas Zelizer’s examples of the need to disguise money in recognition of the feelings of the recipient were primarily examples of money as a gift, in my research the money is being received as part of a market exchange, not as a gift; and yet a discomfort with the ‘appropriateness’ of receiving money was very common.

Again following precedent set by Becker and by Douglas (*ibid*), I considered my own experience as a recipient of cash in comparison with my experience as the donor/payer. My discomfort with receiving the money from my friend (discussed above) was in direct contrast to my unconcerned attitude to cash on two recent occasions in which I was the payer, not the recipient. On two occasions a handyman who does odd jobs for me has waived aside my query of how much I owe him, although I ask the question with my hand in my back pocket, ready to get out the cash. The handyman’s decision to waive the topic of price seems to be tied to the fact that on those occasions I have acted as his apprentice and we have done the job together. When I become involved in the work the relationship between us changes and becomes more social. It seems to me as though the handyman avoids money-discussions and money-handling in these situations as he does not want to change the relationship from a friendly expert: learner situation to a ‘work’ situation. That is, the handyman used discourses of money to suggest a social relationship, even though I had booked him in his professional capacity and wanted to pay him for his time and

skill, and felt I could do so without undermining the nascent friendship. Importantly, the idea of price and cash was significantly less problematic to me when paying rather than when receiving it.

This reflexion supports Zelizer's point that perceptions of money and its use in social relationships is important, and extends her observation to consider how this may inform a market exchange. The handyman's refusal to name a price and accept money does not make economic sense if, as is generally assumed, within a market transaction money is money. However, as Zelizer found, in many circumstances money exchange may be understood as being inappropriate between friends, so people find ways to remove the potential threat to the relationship by removing money entirely (as the handyman did), reducing the price ("mates rates"), or disguising the exchange /making the exchange less visible (as I do with my friend/lodger). Rather than money necessarily being contaminating, these money and pricing practices are a way of suggesting and/or affirming particular social bonds, and although pricing would generally be considered an economic activity it is clearly not purely an economic practice.

As Zelizer (1994) illustrates in her examples of the lengths women may go to in order to disguise money presents so that people need not be embarrassed about receiving it, there is something about receiving money which is often not neutral. It is not necessarily that the money is irredeemably dirty, it is that in particular contexts it is perceived as needing re-categorisation to avoid having an undesirable effect on social relationships, and the re-categorisation is a way of affirming that a social relationship is desired. As a result people find ways to achieve this which they understand to perform that function, such as my asking my friend to leave money on the window-ledge rather than put it in my hand. By doing this I am using a transaction-distancing ritual, a masking discourse, which suggests that the payment is incidental, and in doing so I am seeking to emphasise the friendship and minimise the potential interpretation of the situation as a lodger:landlady relationship. The handyman, by refusing to name a price is similarly changing the interpretation of the



transaction from commercial to social. However, by finding a way around the discomfort (using a masking discourse) I gain what I categorise as cleaned money, whereas my handyman goes away with empty pockets. That is, his understanding of money etiquette and its social meanings appeared to absolutely override economic logic.

I observed similar awkwardness with money-handling during the data-collection period, and it was brought up without prompting in a number of the interviews. One participant (BR) started the discussion by saying angrily that the way she was brought up, in which she had been taught that *anything* to do with money was unmentionable, was “paralysing”. She said that she wished that she found money a more comfortable topic, and that she was struggling to undo this deeply-rooted aspect of her “ridiculous” and “middleclass” upbringing.

Although in this instance BR was talking about money in general, from observation cash, and cash associated with art, are particularly uncomfortable for her. She seems to overcompensate for her awkwardness, making the cash more visible than many others do in the same type of transaction context. For example she pays her models in bare cash, whereas others artists frequently put the money in an envelope. Whereas the envelope is generally passed by the artist directly to the model, BR puts the cash down on a suitable surface between herself and the model. It seems that she over-compensates for what she calls her “ridiculous middle-class” discomfort with cash by making it very visible (no envelope), but she then cannot bring herself to do, or does not want the model to have to do, the hand-to-hand part of the bare cash exchange. Within the research context and the use of an envelope or neutral space to put cash in appears to be a common money ritual which can be used to reinforce the relationship between donor and recipient as one of friendship rather than commerce, or at least as ‘friendly commerce’.

For BR, money is far from neutral – she said that she even found it difficult to *think* about money, which makes pricing her work “an enormous struggle”. Another trail participant said that she found handling money

“.. *really* awkward! Initially. It was as though.....yeah. I I (feeling her way) found...it it difficult to sort of..... *take* money, I didn't like it. Um . I'm not sure what (embarrassed short quiet laugh) it is.”

(HM)

Using the local hierarchy by media, HM's work could be described as craft. Although according to local norms money should not be a problem with craft objects (the art/craft object categorisation and its effect on money categorisation is discussed in the section Categorisation of money by source), HM's discourse *is* about money discomfort. This may be because she is constructing her work as more art than craft, and/or may be to do with a more general discomfort with receiving money.

If money from art is dirty, as the Romantic myth suggests, within the data cash seems particularly so. The categorisation of money as 'dirty' or unmentionable appears to matter to many of the participants. For example, one participant repeated a number of times that he was “bad with money, terrible”, and said that he does not like handling it. As with HM, this comment was accompanied by physical drawing in and squirming.

One might expect craft artists to find money handling less embarrassing, and on the whole that may be the case, but two of the three interviews in which the embarrassment of money-handling was explicitly discussed were with what might be termed craft artists. The use of this discourse may be in part a construction of their work as 'less craft, more art' (showing knowledge of the object hierarchy by degree of separation), as well as a display of their knowledge of the middle class discomfort with money.

### *Cash and price effect*

In terms of the effect of money form on price, within the interviews no participant suggested that prices would be changed 'for cash', as is sometimes the case in other

markets such as plumbing. Within a variety of trades and contexts (e.g. see Venkatesh's *Off the Books*(2006)) payment by cash would mean it need not appear on the official accounts, and so the plumber (for example) need not pay tax on it. As a result, a lower cash price may be offered by the seller.

Although many of the artists I interviewed do keep formal accounts of their sales and costs (sometimes for tax purposes), no art trail participant talked about using or considering different prices for cash. There were however some *ad hoc* price changes for cash. For example, I was offered a slight price reduction when my £20 note was not quite enough to cover a purchase. Although I was about to write a cheque for the full amount, the pricer said "That [£20] would be fine". In this case cash (instant money) and a display of friendship/lack of concern about money was preferable to cheque, with its slight but unavoidable delay and suggestion of interest in economic maximisation.

### *Cheques*

Many of the exchanges within the trails are made by cheque. Given the prices of much of the work for sale, the amount of cash most buyers are likely to carry around, and the lack of credit card machines, I suspect the preponderance of this form is largely down to practicality. However, it is possible that cheques may be construed as having some distancing effect by those who wish to keep money and art apart.

### *Cheque and price effect*

No pricers within the art trail research context mentioned thinking about adjusting prices in terms of the money form of cheques. At one trail meeting someone asked what to do with cheques, and it was suggested that artists should ask buyers to write a series of post-dated cheques up to the cheque-guarantee card limit until the full amount was reached. At no time was it suggested that pricing might be adjusted to the cheque guarantee amount. This was in contrast to the practice of a pricer from another field, who told me that he kept his prices below £50 as that was the usual cheque-guarantee limit.

### *Electronic money*

Within the trail context handling cash and cheques caused some recipients some embarrassment, and they found it “*really awkward!*”. The alternative – electronic money – seemed to be regarded with very mixed feelings. Rather than being seen as ‘unreal’ and therefore more ‘clean’ money, the use of a VISA machine in one of the art trails caused such offence that it was a major topic of complaint at the post-trail meeting, and it still crops up in conversation years later. A high-status member of the community publically criticised the artist for her inappropriate use of a VISA machine, and suggested that in subsequent years the artist should not be allowed the prominent sales position she had had in the year in which she had committed her offence. In fact, it was mooted by the complainant that the offending artist should not be allowed to take part at all in future, and from observation she has indeed been excluded through a process of edging her into increasingly less desirable venues.

In this example the physical form of the money seems to have been significant for the complainant, who saw the VISA-using artist as having got it very wrong in making the commercial intent so visible. To the complainant, electronic money ‘meant’ visible wooing of commerce, and it appears to have been particularly galling that that artist sold a lot of work that weekend.

The negative interpretation and strong reaction against the money form was not shared by all in that meeting, nor, I suggest, would it necessarily be shared by everyone in the other trails. From years of attending meetings of the various trails, I suspect that in at least one of the other art trails the VISA machine would have been widely seen as a useful development.

The VISA machine was not the only form of electronic ‘unreal’ money used within the data. Within the research data there was also a small group of artists who chose to apply for grants and funding (which would be transferred into the artists account by electronic inter-bank transaction) rather than price their work. Here ‘grants’ and ‘funding’ are treated as clean money, which will not contaminate their art, and this

type of money-acquisition is deemed quite different from pricing, which is seen as market-based, commercial and contaminating.

Different interpretations of the meaning of electronic money is discussed further in the section ‘Getting it Right, Getting it Wrong’.

### *Electronic money and price effect*

By offering a VISA payment option the artist was able to choose relatively high prices *and* make many sales. The VISA machine did not appear to put off buyers, and the artist appeared to be making substantially more sales (in terms of both quantity of items and monetary value) than any other artist on that trail. This was corroborated by the others in the meeting after the trail (“She was raking it in!”). It may be that by pricing in what buyers might categorise as ‘invisible/unreal money’ she was able to price and sell at higher prices than she could otherwise, and that for some buyers her higher pricers might have reinforced the ‘art’ categorisation of her work.

As was pointed out by a third party at the meeting in which the complaint was made (the VISA artist was absent), the VISA artist earns and needs to earn her living from her art. The implication was that it was therefore appropriate for her to choose her prices and sales mechanism with economic considerations to the fore. The VISA artist may not have predicted the strongly negative interpretation of the meaning of electronic money in that context, nor the social and economic consequences of the difference in interpretation.

### *Spread payments – credit / savings scheme*

The practice of promoting or allowing spread payments was not very visible within the art trails, but was mentioned by some artists selling higher-priced goods, and by some buyers. The acceptability of offering such schemes was constructed by participants as following high-status precedent – for example two of the three artists to whom I offered that payment method spontaneously mentioned the Own Art

scheme (run by the Arts Council England), and that it is offered at the main gallery in the city. The Own Art scheme is offered in many other galleries in the city, but they only mentioned the main prestigious gallery as precedent.

### *Spread payments and price effect*

Offering spread payments may enable sales, as suggested within the behavioural economics literature (Welch 2010), but within the data it did not inform the choice of price amount. That is, there was no suggestion within the trail data that prices were chosen with spread-payments form of money in mind. Instead prices were chosen, and this payment method appears to be an after-thought, suggested by the buyer rather than seller. That is, within the data collection period I found one artist who, for one trail, had a small notice saying that payment could be made in instalments. No pricer had material suggesting something like “£250, or 10 monthly payments of £25”, as is common in advertisements for items such as cars or collectable plates.

A member of staff in the city’s main gallery who administers the Own Art scheme told me that they make a significant proportion of their sales through that scheme. Although spread payments are seen as a way to boost sales volume, the administrator was not aware of this form of money affecting price levels: they said that they were not aware of any artists choosing to limit their prices to within the Own Art range (maximum £2,000), and did not mention the idea that spread payments might allow a higher price.

### *Summary: Physical Money Form and Pricing Practice*

Whilst not necessarily restricted to a particular class, and may be more to do with wider cultural norms (“Friends from abroad think we Brits are hilarious because we don’t like to talk about money” (RM)), pricers’ degree of awkwardness with money-handling may also be part of what is understood to be a largely “middle-class discomfort with money” (BR).

Given that exchange of cash can be awkward in many pricing situations (as in the examples of my lodger and handyman, above), it is perhaps not surprising that in an art context (where according to the Romantic myth money is ideally seen as tainting), use of the most explicit form, cash, appears to be understood as the most awkward or embarrassing, and cheques, which create some distance from cash, less so. However, the importance of physical form is secondary to the underpinning mental categorisation of money by source, and the way in which the participant interprets and uses the Romantic myth that money from art is contaminated and contaminating.

Once a participant had decided to price their work rather than produce un-priced work or apply for funding/grants, the physical form of the money did not appear to affect prices chosen. However, rather than treating money forms as interchangeable and neutral, understandings of appropriate money form and appropriate practices for a particular form varied, and appeared to be shaped by and used to shape social relations (which is discussed in more detail later), as in the example of the VISA machine.

Electronic money may be considered by some to be an ‘unreal’ and/or pragmatic form of money, and may be thought of as a means of making transactions conceptually and practically easier for both buyer and seller, however, within the research context the VISA machine was also seen as an offensive symbol of commerce and an inappropriate display of a desire for sales.

The variation in interpretation of the credit card machine within the data is a useful reminder that meanings of money, as with meanings of other cultural items, are fluid, negotiable, and socially-informed. Having examined the variation in physical forms of money within the research context, in the next section the underpinning mental categorisation of money by source, holder and earmarking is discussed in more detail, in order to explore how legitimisation of particular categorisation and rejection of an ‘other’ within discourses of price may be used as a potent source of social distinction, status and power.

## **6.2 Money - Mental categorisation by source, holder, & earmarking**

### **Introduction**

Pricing something turns the object (here art/craft), and the buyer, into a potential source of money. As Baker (1992, p.681) pointed out, ‘In virtually all societies, money is distinguished and labelled by source’, and yet as Belk and Wallendorf (1990) point out, the importance of source is often overlooked. Here I look at how money is distinguished and categorised by source within the research context, and how that informs pricing practice.

As discussed in the Literature Review, prior research of mental money categorisation can be thought of as falling into two main areas: a) behavioural economics, led by Richard Thaler, in which people are seen to have shared and predictable differences in money behaviours depending on which pot or category they mentally assign the money to; and b) socio-economics, in which money behaviours (as with other market behaviours) are understood as socially and culturally embedded, and therefore subject to variation, and the source of the money is key to how it is understood and used (Douglas 1982; Belk and Wallendorf 1990; Zelizer 1994; Welch 2010). The underpinning assumption of embeddedness of market actors is shared by the growing body of marketing research known as Consumer Culture Theory (Arnould and Thompson 2005).

Within the research data conceptual money categorisations appeared to have a far more significant impact on participants’ understandings of possible pricing options than the physical forms did. Indeed, the ideal mental categorisation of money from art as ‘dirty’ money was alluded to by almost all involved in the research context, echoing prior artworld research by Velthuis (2005), Abbing (2002) and Bradshaw et al. (2006). Within the research context, meanings of money appear to have a significant impact on pricing practice, and are part of the culturally-required



‘complex balancing act between art and commerce’ (Bradshaw, McDonagh et al. 2006).

As discussed by Abbing, Bradshaw and Velthuis (*ibid*), the major categorisation of money within the research context can be thought of as dirty money, led by the dominant Romantic discourse of the field. Broadly, those for whom money from an art object is ostensibly dirty either opt out of pricing (as in the case of the artists making site-specific installation work or performance art), or they appear to automatically use higher prices (their work is Art). Those for whom money is clean or non-problematic appear to automatically charge less (their work is Craft). Classifying the money earned through pricing as ‘art money’ appears to be a significant categorisation within the research context, and ‘art money’ appears to have a variety of meanings and corollary behaviours.

To revisit the prior money categorisation research in a little more detail, behavioural economist Richard Thaler (1985/2008 [1985]) showed that consumers use what he termed mental accounting to categorise and handle money, and that this had implications for those doing pricing. The process of mental accounting means that consumers view money in one pot (or category) as no longer fungible with that in another pot, and calculations differ depending on which pot (or category) the money has been mentally assigned to. In contrast Belk and Wallendorf (1990) suggested that the apparently irrational ways in which people sometimes handle money can be understood by looking at historical meanings of money, its sources and its uses, particularly with respect to the idea of sacred or profane money. Sacred and profane are mental categorisations, not physically different forms which have cultural/historical foundations (Belk and Wallendorf 1990). As they are learnt rather than nature, whilst there may some degree of shared money categorisation and interpretation, there will be variation.

Moving beyond the sacred/profane polarity, and rounding out Thaler’s idea of shared money categorisations and associated behaviours, Zelizer (1994) looked at a variety of categorisations of money and showed that categorisations and associated practices

are socially constructed, geo-historically situated, and have important social as well as economic uses: money and its meanings are a medium of social relations.

Whereas Dyer (1989) focusses on the 'medium of exchange' use and meaning of money, Zelizer examines a wide range of contexts and data sources in order to contextualises people's money categorisations and spending rules. The socio-historical contextualisation enabled Zelizer to identify and examine the social uses of particular money categories, and to illustrate how categorisations and interpretations of rules are shaped by what one understands as appropriate. These are used in social sifting of 'like me' and 'not like me'. This sifting is possible because categorisations, associated behaviours and ideas of appropriateness vary.

Zelizer points out that although there may be dominant interpretations of 'right' and 'wrong' ways to categorise and handle particular monies amongst different groups, these interpretations are learnt, not obvious or natural. She illustrates how money categorisations and behaviours are part of learnt etiquette, and signal class, relative position, and cultural capital. There are similarities between Zelizer's findings and Douglas' (1982) anthropological work on the Lele, in which different money types are understood as reserved for particular types of transaction, and correct usage shapes and reinforces social relations. Zelizer shows how Western people are always creating new forms of money (such as petrol coupons) which operate alongside legal tender, and which have their own purposes and rules. Importantly, however, in modern usage even when the money is physically one form (legal tender rather than the Lele's use of two currencies, raffia and coin), it is signalled and interpreted as belonging to different categories through social practices.

We know that the dollar on the café table is a tip because we have learnt to give and interpret tip-money cues such as the amount, the form, where it was left and when. Similarly, you know that the £20 note you receive in your birthday card is different from the £20 already in your wallet, and that you are expected to spend it differently. Rather than looking at variations in how people interpret birthday money (although that could be an interesting study), what this research is interested in is whether there

are variations in the way pricers categorise and interpret money they would gain by selling their work, and what the pricing implications of those categorisations appear to be. In later sections I then explore why particular interpretations are used in certain situations, and how they are learnt and reinforced.

Pricing their work turns participants' artwork into a source of money. Corroborating Zelizer's (1994) and Belk's (1990) point that source matters, within the art trail research context the interpretation of the impact of source on the money categorisation is significant: it underpins the money categorisation for the vast majority of the research participants. To these pricers, because the money is from art it is discussed as tainted and tainting (ideal Romantic discourse). Pricing art, which requires an explicit consideration of turning an art object into a source of money, is therefore problematic for many. For some the idea of negotiating an overlap between the ideally separate commercial and art spheres is paralysing, for others it reduces their work to a mundane level. As one participant said, thinking about earning one's living from one's art (which is what pricing is, to him) is "about real and boring real life. It's no longer arty." Money from art means something different to money gained from other sources, which is why detailed examination of participants' categorisation of money and rituals of category change is helpful in understanding some of the more puzzling ways people approach pricing.

In order to examine money categories within the data, I use Zelizer's framework of categorisation by source, holder and earmarking, as well as context.

### **6.2.1 Categorisation of money by Source – the art object and the art buyer**

The higher status discourse within the art world in general and shared within this research context is that money from art is contaminating and contaminated (Kopytoff 1986; Bourdieu 1993; Abbing 2002; Velthuis 2005; Bradshaw, McDonagh et al. 2006). Art obviously for sale is understood as lower status art: "It wasn't a selling gallery, anyway, it was a very.... prestigious gallery." (RJ).

Whereas Craft objects are largely defined by their perceived proximity to the market, to aim to earn money from pricing and selling your Art is constructed as “selling your *soul*”, as two participants put it. Anyone who is seen to behave in that commercial manner may be categorised as a different and perhaps lower status, as could be seen in the two artists telling me about a third: “*she* paints to sell” “She’s not like us”, or in another example of the ostracising of another trail participant because of their allegedly commercial focus, “I don’t want to name names, but you may know who I mean”.

The source of the money is not just the object (art or craft) being sold, it is also the buyer. Although it makes little sense from a purely economic point of view in which money is neutral, for some of the Art pricers the categorisation and meaning of the money, and whether it can be considered appropriate for commensuration with Art, appears to change depending on who it comes from. Money categorisation and meaning-making by source, including the idea that buyer-as-source is important for Art pricers and irrelevant for Craft pricers, is not obvious or nature, it is learnt. Being seen to know those rules is an indicator of social position.

### ***Money Categorisation by Source: The art/craft object***

As discussed in the *Stratification* chapter, how the object is categorised has a big impact on money categorisation and pricing practice. If work is categorised as Craft rather than as Art, then there are shared understandings that there is a different ‘appropriate discourse’. Depending on object category, the participants used a different pricing range, and different money categorisations and interpretations (primarily, Art prices are higher than Craft, or Art is priceless).

Within the context (and more widely), certain types of work such as illustration, graphics, and photography were often termed Craft rather than Art, and had a lower status, and were given lower prices. “I consider that illustration” was used as a derogatory statement, not praise. If the object is craft, then the buyer (source of money) was construed by both the maker and other research participants as irrelevant

– they did not make the money cleaner or dirtier. Craft participants rarely suggested a vetting process, in contrast to the common art-object discourse of vetting buyers and telling stories of having sold work to a particularly good home. However, during the research period the source *was* sometimes seen to matter to craft artists, and this occurred when in conversation with other craft artists, and appeared to be used to elevate status through signals of commercial acumen or success. For example, an animator spoke of applying for funding to complete a project he was working on, and then corrected himself – he is seeking sponsorship:

“with the help of X [name of co] I hope to get funding, well, sponsorship, to complete [my project].”

“Sponsorship” has connotations of commerce, and suggests a desire for connection with a company, whereas “funding” was used throughout the research context to mean money from non-commercial entities such as The Arts Council.

It is difficult to pin down when and why something becomes categorised as Craft rather than Art, but from the years of conversations and observations within the research context the categorisation hinges on the perceived relationship to the market. That is, objects which were already deemed to be in closer contact with the market, in that they are perceived as the type of work that is made to a paying brief, or which are made specifically because they will sell rather than being from the soul, are considered to be of lower status than Art.

The word ‘craft’ was used regularly within the research context (particularly by those working in the university and those who had had recent close contact with the university), as a criticism of the work of others, particularly in the form “She sells a lot, but I consider *her work craft*” (NM).

It was rare for someone to explicitly categorise their own work as craft – within the context, craft is understood to mean ‘not art’, and as art is the pinnacle, craft must be lower than art, which affects price expectations:

"[My husband told me] you don't want to be seen... doing little craftwork shows anymore, which I don't do – (unclear) it's not worth it. It's got to have 'contemporary' in the [title of the craft exhibition or show].

Contemporary in the crafts, (unclear) otherwise its quite cheap. (laughs)  
Otherwise its, they'll look at a pendant for [£]10, and they'll say "Oh that's quite expensive" sometimes."

(PJ)

The excerpt above illustrates how although the perceived division between art and craft is a culturally-created divide which is far simple to define, it is a divide which matters, and has a direct effect on customers' price expectations as well as artists' understandings of appropriate price-range.

Although the craft categorisation of her object is seen by PJ as indicating that her work is regarded as lower status and she thinks the pricing implications of the categorisation are undesirable and unfair, when in the role of consumer she too used this type of craft/art division and associated expectation of price: For example, at a recent show she had seen

"hand-woven textile wall-pieces, and they were priced... sort of 300 pounds for a 30cm 'canvas', in inverted commas, cos obviously it was a textile, um which, to me was a *lot* of money."

(PJ)

She emphasises that the Art categorisation was desired but not achieved through her use of tonal and verbal inverted commas around 'canvas'. Canvas implies a painting, that is, Art, and with it appropriately high prices. "'canvas', in inverted commas" implies that this was a piece of textile *wanting* to be seen as Art, but not achieving it. She therefore felt that the price of £300 was therefore inappropriate.

Categorisation of object as Art or Craft has a significant effect on pricing discourses and expectations of price parameters by both pricers and customers. Within the

research context, art is seen as better and more expensive, and craft as lower in status and expected price. Categorisation of object as art or craft (as in “but I consider *her* work *craft*”, or “There were a few good pictures there, but an awful lot I’d call illustration” (field notes, M’s group) acts as a means of positioning self – that is, it has a social purpose as well as an economic impact.

Craft is looked down upon by many, in an echo of the divisions taught at the local university which plays a key part in the art legitimating industry within the research context. In a very recent swing against the negative connotations, the term ‘Craft’ is being reclaimed by some participants, rather than avoided. However, at this early stage it appears that the lower pricing implications remain.

As a participant pointed out, to someone from the outside, such as herself, the importance of the art/craft categorisation seems bizarre, and bizarrely powerful. As far as she knows, the division and its price and status implications are not currently shared elsewhere, nor was it used by previous generations in the States, where she comes from.

“in the States, as I remember it and as I still look at the American craft magazines and the American art and craft magazines, there’s not a lot of difference.”

(RM)

To RM, the art/craft categorisation is part of the laughable British habit of sorting one another by class, and she cites Grayson Perry, winner of the prestigious Turner Prize (which he won with a body of ceramic pieces), as evidence that one need not agree with the mainstream view that art and craft are different, and that craft is lower:

“he [Grayson Perry] thinks it’s *rubbish* that the difference....the um delineation that’s made between art and craft.”

(RM)

Grayson Perry's 2003 Turner Prize success was particularly newsworthy because it bucked the widely shared understanding of the art hierarchy in which ceramics is more Craft than High Art. 'As he commented at the time, critics spent more time discussing the fact that he chose to work with ceramics – indicative of the low value placed on clay works in the fine art context – than the content of the works themselves' (Game 2011).

The Turner Prize is news-worthy because the judges' choice tends to challenge mainstream ideas of what is good art, and in this case the judges' decision to award a ceramic work the prize surprised many. However, that the judges' choice was seen as a newsworthy aberration largely supports rather than challenges the finding that ceramics (or pottery) is generally seen as 'craft', and craft as lower than art.

RM's informed criticism of the local craft/art divide could be understood as a part of her positioning of herself as belonging to the cultural elite (in that she holds a similar view to that of the Turner Prize judges) and is therefore above the local bourgeois ranking-system. Importantly, she was able to support her use of the criticism through her rich knowledge of ceramics and her use of locally high status vocabulary such as 'visceral' and 'emotional response'. Through these references to legitimate authorities she was able to construct her criticism as part of 'getting it right'. This positioning, which was supported throughout the interview (which covered a range of arts-related topics) enabled her to position her work as Art, and price accordingly, whereas other trail participants producing work using the same artistic technique were more likely to consider themselves restricted to a more 'craft' categorisation for their objects, and corresponding lower price range.

Craft artists within the research context generally restricted themselves to a lower price range because they used (and appeared to believe) the mainstream hierarchical discourse and consider their work to be less 'art', more 'craft' and the corollary rules that craft is lower status, and therefore prices should be lower. On the whole, the hierarchy by medium and the associated pricing discourses and pricing ranges were taken as nature. For example, the photographers I spoke to seemed restricted to a



very cost-based pricing approach, even though three of them noted that anyone who paints calls themselves an artist, and “they always seem to charge a lot more and they seem to get away with it” (AD). That is, AD assumes that the interpretation paint=Art=higher prices was shared by makers and buyers, who will pay the higher prices.

Although most participants seemed to accept their objects’ categorisation and the lower position of Craft, some explicitly tried to work out what was needed for their work to be taken as more ‘Art’. Sometimes this was for predominantly social reasons (e.g. PJ, who wanted her work to be taken more seriously by the field’s elite although she knew that it would mean that she would make far less money), sometimes for economic as well as social reasons (e.g. GT, who wanted his work to be priced at the same level as a painting, to emphasise its artistic parity). A few participants (such as RM, above) were also interested in reclaiming the ‘Craft’ categorisation, and these tended to be the more middle-class participants with a great deal of experience within and of the wider arts scene. Ownership of reasonably high-status cultural capital appears to be important in determining whether the participant broached the topic of the renegotiation of the meanings of categorisation of objects, and therefore renegotiation of pricing expectations.

In an example of renegotiation of object category, photographer (GT) was angry about the lower status and lower prices he is restricted to because, despite Benjamin’s (1999 (1936)) hope that the introduction of mechanically reproducible media (particularly cinema/film) would challenge the extant art hierarchy, photography is still categorised as ‘less art’. GT wanted his work to be understood as Art. In the interview and other conversations GT situated his work using what is generally understood as high-status discourses of art-history contextualisation and associated philosophy, which O’Toole (1994, p.182) describes as the conventions of hegemonic art-historical discourse. That is, in order to construct a case for repositioning photography he has to use the existing framework (‘the domain of tradition’ (Benjamin 1999 (1936), p.215)) which places his work near the bottom.

Whereas GT used his discourse to negotiate re-categorisation of his photography from craft to art, PJ talked about changing what she made in order to conform to the current view of what constitutes Art. She said that she needed to move away from the market and her consideration of what would sell, and concentrate on another type of work – “more ‘concept’” - which she knew from experience of attending many fairs would not sell but would have status and be included in exhibitions:

“I mean, I think that I’d *quite* like, I’d I’d like to take it slightly more seriously and also , take a step back from selling and do more large-scale, not necessarily large-scale, but more ‘arty’ craft.

(...)

more ‘concept’ I think. I’d be taken slightly more seriously.”

(PJ)

Summary:

On the whole, craft-makers were likely to confirm the lower status of craft by talking about money and the market. Artists were more likely to emphasise the cleaning/elevating discourses of money. Only those participants who are aware of the higher discourse and wish their work to be seen as more Art are likely to use pricing discourses which included categorisation of money as tainting, awkward, and embarrassing. It appears that the ‘tainted money’ discourses are deemed appropriate and necessary for ‘art’ objects, and inappropriate for ‘craft’ objects. Categorisation of money as tainted or non-problematic is interwoven with construction of the object being priced, interpretations of appropriate commensurative rules, pricing discourses, and other pricing practices.

### ***Money Categorisation by Source: The art buyer***

The idea that who the money comes affects how it is categorised and treated occurs in many contexts, as discussed by Zelizer (1994), Belk and Wallendorf (1990), and Douglas (1982). In another example the writer Alan Bennett rejected an honorary

degree from Oxford *because* of the university's acceptance of money from what Bennett construed as a tainted source or holder, Robert Murdoch. Bennett made it clear that to him (legitimate source of authority, legitimated in part by the offer of the honorary degree), the source meant that the money was tainted and tainting, and the university should not have accepted it. To him the university had got it wrong, and the source *does* matter.

Sitting in a lecture for MA art students, I was taught that who buys one's work (i.e. the source of the money) matters, and in what way. The lecturer told a story, the function of which was to teach the students her (high status) interpretation of the money used to buy Hirst's spot pictures. Drawing on current media criticism of the stock-market and bankers, the money was constructed as commercial new money earned from the "morally corrupt" stock-market. The source 'meant' that it is dirty money, and by association it tainted both the art and the artist. Whilst money from art is *de facto* bad, according to the Romantic myth, it can be seen as even more dirty, depending on the construction of the source/buyer. Do not sell to the wrong buyer, was the warning.

Selling to bankers, which means being seen to accept (or seek) dirty money for one's art 'means' that the art becomes less art. In her story, the lecturer stated that she found art bought by Saatchi (a 'super collector', who made his money from advertising) to be less pleasing "easy" art. She implied that the work in the Saatchi gallery was 'dirty' art, because she had to "wash" herself after the visit to the gallery by visiting Tate Modern (implication: art in Tate Modern is clean and cleansing art). I suggest that her categorisation of the Saatchi gallery art as 'dirty' 'easy' art is informed by its proximity to commerce. Work in the Saatchi gallery was bought with dirty advertising new money, and is generally for sale, and therefore very much in the market, whereas work shown in Tate Modern was bought with 'clean' money (the source was Tate Modern, i.e. art world elite), is not for sale, and has been removed from the market into the public domain. That is, Tate Modern's money was

cleaned through the assumption of a shared understanding of the buyer (source) as cleaning.

Within the data, construction of the buyer (the source of money) matters. Within the data “punters” was a term used frequently amongst a subset of a group of affluent artists when discussing the art trail, although its use was primarily by one very vocal participant. However, ‘punter’ was seen as inappropriate and offensive to some other artists who constructed themselves as higher status because they would not use a term like that. This second group appeared to consider the term as offensive because of its explicit reference to the market aspect of the trails, and in its construction of hierarchical division between artist (higher cultural capital) and buyer (lower cultural capital). It was also deemed likely to be offensive to potential clientele. In assuming offence the buyer is constructed by these artists as sharing their interpretation of the term ‘punter’ and its associations, and therefore as having similar cultural capital, and to therefore be ‘a good home’, and source of clean money.

Changing of categorisation of the art and money by teaching an interpretation of the buyer as a bad or good source of money is what Zelizer terms a ritual of category change, in that the ritual is understood to be needed, and to work in a particular way. The construction and interpretation of the money source matters, as they are used to change the money categorisation. Sometimes, as in the example of Tate Modern and ‘punter’ above, construction of the buyer can be used to clean the money and thereby move the pricing and transaction closer to the ideal Romantic separation of the commercial and art spheres.

**Good Home:** Within the research context buyers who were constructed or who are able to construct themselves as a good home for the piece, and therefore as a source of ‘clean money’, enabled a smooth and status-building or status-affirming transaction. A ‘good home’ is constructed through signals of cultural capital, perhaps through demonstration of knowledge of the field (as in Tate Modern), or a suggestion that emotional connection rather than interior design requirements is the guiding principal for what one likes. Research participants talked of wanting their art

to go to people who “get it”, that is, to people for whom the art “*means* something”. This was widely used and interpreted as a cleaning discourse, changing the categorisation of the money earned through a change in the meaning of the transaction from market transaction to emotional or intellectual connection.

Sales were particularly celebrated when the emotional connection interpretation of the exchange was the centre of the story:

ES told me excitedly that she had just sold a picture to someone. The buyer had told her that she had “no money” but had seen the picture at a trail and “just had to have it”. For ES this choice of discourse made the sale special, and made the money a type of special money – the money was more significant to that buyer than it might have been to someone else, and the picture was significant to her. The buyer’s choice of discourse of emotional connection meant to ES that the buyer ‘got it’, and the money and sale was cleansed sufficiently to become a topic of conversation.

Another artist emailed me about a sale (*not* a normal topic or purpose of conversation within this context) because she was so thrilled about it: a young woman had chosen a picture as her twenty-first birthday present from her parents. Far from being a commercial and therefore unmentionable activity, the buyer was constructed as ‘a good home’, and by using this discourse rather than an inappropriate economic discourse, the news of the sale could be shared and celebrated.

The opposite also occurred - sales were regretted if the commercial nature of the transaction rather than emotional connection was too clear:

An artist (M) told me that some time after a sale of one of her pieces she had learnt that rather than having bought the picture “from a feeling” for it, as M had assumed, the buyer had bought the picture because she needed to quickly decorate a house. In fact, M told me, she had learnt that the buyer had bought quite a number of pictures at that exhibition for that purpose. Although at the time of the sale M had been

pleased that someone had bought her picture, now that she knew the reason for the purchase she was less happy. The buyer's motive had changed the categorisation of the object from Art to décor, and the money from 'art money' to tainted money. Whereas one might assume that pricers price their work in order to make money, in this case the artist was disappointed by the sale, and implied that she would rather have had no money than make a sale to the wrong sort of buyer for the wrong sort of money.

For this research what is important about money categorisation by source is that it sometimes affects pricing practice. Importantly, prices were sometimes dropped if the source was seen as cleaning. For example, FW spoke of being willing to reduce her prices so that someone to whom the work meant something (construction of money as 'clean money through emotional connection) but had little money (so each bit of money is more 'special' money), would be able buy it.

Constructing the buyer as a good home and therefore as a source of clean money involves appropriate discourses of emotional connection with the art object, appreciation of artistic aims, and discrete mention of money. That is, there is a display of knowledge of 'how it is done' by both buyer and seller.

Not all participants within the research appeared to know the good home aspect of 'how it is done' – that is, they did not appear to know that the source of the money 'should' matter to someone selling art, nor how to construct or recognise a 'good home'. For example, a participant who makes art objects which are priced as 'art' (i.e. high prices) said that she does not care who buys her work, although she would like Madonna to buy one, as she admires her:

"I think it would be *nice* for someone famous to buy my work. But they'd have to be someone *famous* that I like! (laughs)"

(DK)

Unlike FW, who was willing to adjust her prices for ‘a good home’, from extended observation DK does not know the high-status interpretation of buyers’ subtle hints of cultural capital, that is, she does not interpret them as signals that they are a good home for her work, and therefore a sale worth pursuing, perhaps by offering a reduction. Instead of dropping the price for clean money (which would be getting it right according to the higher status rules), she rather brusquely suggests that those buyers should choose something else of hers that they can afford (getting it wrong). DK is using economic logic – all money is the same – rather than the higher status Romantic artworld logic. Paraphrasing, to DK people either like her work or they don’t like it, and either they can afford it, or they can’t. Reviewing the interview, it was interesting that I tried to bolster DK’s choice of Madonna as ideal buyer, constructing her as ‘a good home’ by talking about Madonna’s artworld cultural credentials, particularly her close connection with Basquiat and Warhol’s Factory, but DK was absolutely uninterested. For DK, the artworld construction of ‘good home’ appears irrelevant, both in terms of suggesting shared emotional connection (which is a group membership discourse and social rationale) or in terms of leading to future sales either directly or through influence (commercial rationale).

For other pricers, knowing the significance of ‘good home’ and clean money was very important. At an extreme example of the effect on pricing of the ‘good home’ category of money source, DS refused a significant sale (£000s) and withdrew the piece from the market because as far as she was concerned the would-be buyer clearly did not “get it”: he had talked about the piece in what she termed a “crass” way, and then tried to haggle over the price. The buyer was not a ‘good home’, as he had used what the artist considered a totally inappropriate discourse for an art sale, and her withdrawal of the piece from the market suggests that she construed it as having been contaminated by the discussion and its contact with the market. The piece was later cleansed by being given away to ‘a good home’.

DS’s economically irrational rejection of dirty money echoes the gallery owners’ discourses in Velthuis’ (2005) study, in that they told him that the use of the wrong

discourse by a would-be buyer would mean that their money was instantly constructed as unwelcome dirty money which would contaminate the piece. DS's rejection of the money and the sale, and her telling of the story to me, underlined that she, the artist, knew the correct interpretation of the buyer and his money.

In this example the categorisation of money by source caused a significant price change (£'000s to Not For Sale) and significant economic loss for the artist, who is far from affluent. However, her economically irrational action was constructed by her as obviously correct, and she expected me to share her interpretation. I suggest that her story of the refused sale could be seen as a display of her knowledge of a high status 'how it is done around here', and therefore of DS' desired or actual high status within the context.

Money-cleaning discourses to do with categorisation by or of the buyer are not restricted to the research context, they are common in the wider art world. As already mentioned, Velthuis (2005) found that the New York and Amsterdam art gallery owners he interviewed often talked of refusing sales to/money from particular sources. In corroboration of this observation, Thornton (2008) states that in her study of the contemporary art world she rarely saw a hard sell, but that 'the hard buy' is much more visible. The 'hard buy' is a discussion in which a would-be art buyer (note, Thornton uses the term 'collector' rather than 'buyer', echoing standard practice in the arts media) tries to persuade the seller to part with a piece of art. This is done by the buyer constructing himself as a good home by talking about his artworld credentials such as his art collection and listing who he knows within the art world: "that's when the collector starts telling the dealer why they should be allowed to buy the work. How they are on the Board of Trustees for this museum, how they have a collection that includes that, how they're good friends with so-and-so."

In Velthuis' study the gallery owners are at pains to emphasise that they vet their buyers, ensuring that they only sell to the right sort of people – by which they mean people who 'get' the work and share their knowledge of the ideal discourses, particularly that money and art should be kept separate. They said that they do not



sell to people who just want to ‘turn’ the work (i.e. sell it again quickly) to make a profit. That is, a ‘bad home’ or source of ‘dirty money’ would be people who make the overlap between art and commerce visible, rather than discrete. DS could be therefore be seen to be following high status precedent. However, whereas in Thornton and Velthuis’ studies the owners retain the piece and it continues to be for sale, DS gave hers away, therefore losing the future opportunity of making economic capital from it.

### **Summary**

From a Marketing Mix perspective it could be argued that for the pricer, positioning oneself as having high cultural capital within the field could have an economic purpose and benefit. Although this cannot be discounted as a reason for the dominance of the desirability of the ‘good home’ discourse, within the research data the good home/clean money discourses sometimes involved economic loss rather than gain. The effect of using the ‘good home’ often appeared to be more about social positioning and construction of oneself as an artist who knows that money is potentially tainting and needs to be clean(ed), than it was to do with maximising profit or covering costs.

Participants demonstrated their knowledge of the ideal discourses by making work that was not sell-able, such as performance pieces, installations, &/or used ‘time-based media’<sup>4</sup> (film/video/dvd work, which is theoretically sellable but in practice is known to have no ‘domestic’ buyers), or they did not price their work, or they put NFS, (Not For Sale) on their work. Sometimes, as in the DS example above, economic concerns were outweighed to the extent that they gave away art to the right

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<sup>4</sup> Cf Walter Benjamin’s essay *The Work of Art in the Age of Mechanical Reproduction*, in which he suggests that mechanically reproducible work (especially work in which such reproduction is central) such as cinema is a challenge to the extant art and political hierarchy.

sort/ a good home, rather than sell it to the wrong. Sometimes participants offered a discount to the right sort of buyer, even if it was not explicitly asked for or objectively required. What is different about this data compared to Velthuis' (2005) findings is that whereas the gallery owners all used very similar discourses, within my research context there is variation in use and interpretation of money source discourses. Money categorisation by source, which is both art and the art-buyer, appears to have a significant effect on artists' pricing practice, but only if the artist has learnt that it 'should' have this effect.

### ***Ritual of Category Change by changing object (money source) category***

As already discussed, the category of object – Art or Craft – is significant in determining how money earned from that source is categorised, and what pricing practices are understood to be appropriate for the object. Art is understood as ideally separate from the market and money, whereas Craft is largely defined by its more commercial consideration.

Changing the categorisation of object from art to craft makes pricing much less awkward, as within the dominant understanding of the field craft objects are allowed or expected to be closer to the market. Market behaviours such as pricing (which implies an interest in selling) are therefore more acceptable. However there is a loss of kudos associated with the object category change (craft is lower than art in the hierarchy), and a reduction in possible pricing range because both pricers and customers expect craft objects to be cheaper than those of art objects.

Craft and Art are not discrete simple categories, they are multifaceted and nuanced terms. To revisit an earlier example, as PJ explained, the word 'contemporary' is understood by many makers and buyers as raising the 'craft' category and prices towards (if not level with) 'art'. The *name* of a particular selling opportunity therefore matters.

.....Its got to have 'contemporary' in the craft.

Contemporary in the crafts, (unclear) otherwise [the assumption is that the work is] quite cheap. (laughs) Otherwise its, they'll look at a pendant for [£]10, and they'll say 'oh that's quite expensive' sometimes. (She's smiling, SS laughing). You feel like saying 'Where do you shop?!'

(PJ)

Putting 'contemporary' in the exhibition's name acts as a ritual of category change because there is shared recognition that object category change is necessary, and there is a shared interpretation of the function of 'contemporary' in this context. 'Contemporary' performs a similar function elsewhere.

There were also examples of a type of inverse snobbery to emphasise high object category and status of the speaker. For example one of the UK's top potters prefers to describe his work as 'pots' rather than 'ceramics', whereas within the research context most used the word 'pot' as a derogatory or functional term, and 'ceramics' as a more refined term, implying a movement towards (but not achievement of) the Art category. The high-status potter has no need to demonstrate cultural capital, as he is internationally recognised as a master in the field. When he, like the Turner Prize judges, says 'pots' not 'ceramics' it is a source of distinction, it signals that to people like him 'ceramics' is a bourgeois rather than high-status term. From other users 'pots' might signify a lack of knowledge of the generally higher status of the term 'ceramics'.

Choice of object categorisation is not always controlled by the maker/pricer. Although the choice of price and discourse may suggest how pricers categorise the object, other actors within the context may interpret the object differently, and may influence others. For example, in a room full of trail visitors an artist who holds high status locally described another artist's work as "pretty" and "terribly commercial" (low status). In contrast, she described her own work as "meditative" and "emotional" (high status).

To some participants any object which is seen as having been made to sell is denigrated to craft, whereas art is understood as being made because it is ‘what the artist wants to do’, therefore coming from the soul, and having artistic integrity. Broadly, categories such as photography, illustration, jewellery, textiles, and ceramics are understood locally as more craft than art.

Making what comes from the soul is a higher status discourse than making money (commercial success). However, it is implied (whilst at the same time explicitly denied as the reason for using this discourse), making work in which people can see ‘the passion behind what you’re doing’ may also be a route to sales and to making money. Making the passion visible is good, making commercial intent visible is undesirable:

“– if you really enjoy... what you’re doing that will show– I - I think that shows in your work, that there’s a *passion* behind what you’re doing. Rather than you’re just painting it for someone to *buy* it.”

(DK)

“Yes, I make prints – NOT reproductions, although I did do giclees [a high-quality reproduction print] one year.... (she and her husband catch each other’s eye, and laugh briefly), but I won’t be doing those again. Too commercial.”

(MJ)

### ***Summary: Money Categorisation by Source***

As Belk and Wallendorf (1990), Douglas (1982), and Zelizer (1994) suggested, although the way in which money is earmarked has been the focus of the bulk of prior behavioural economics research, the source of the money should also be considered important. In this study it is clear that the source of the money (the

art/craft object and the buyer) frequently informs categorisation of the money, and how it is construed. Those who appear to be treating Art like groceries in term of their prices (e.g. 99p endings), or their approach to price discounts, a focus on sales or a lack of reticence re money are getting it wrong.

The dominant Romantic ideal of separation between the spheres of art and commerce requires that pricers demonstrate that they know they ought to treat money from art (or from the ‘wrong’ buyer) as contaminated and contaminating. Velthuis’ art gallery owners (Velthuis 2005) demonstrate a particular high-status shared set of practices which are understood to perform the distancing function whilst enabling a commercial exchange to take place.

Source-category construals of money within this research context - that is, ‘art money’ (which may be treated as dirty money) or ‘craft money’ (which is more often treated as non-problematic) underpins what objects are made (e.g. sell-able or not), whether the object is priced at all, understandings of possible price ranges (art objects are more expensive than craft objects), and what discourses of price and money are understood as appropriate and required.

According to the local rules of money by source and understandings of object hierarchy, Craft can be priced directly, who the buyer is is irrelevant, money can be talked about, and the money aspect of the transaction is visible. This is in contrast to the ‘correct’ pricing of art objects, which requires display of understanding that the spheres should be kept separate and knowledge of how to do this – e.g. prices may be on a list, not directly on the object, and the exchange is constructed terms of emotional connection and ‘good home’, not money.

Intriguingly, interpreting the source implications ‘correctly’ can have economically negative as well as positive effects. That is, for some participants the influence of the Romantic ideal of the impecunious artist and dirtiness of the market as so strong that they create un-sellable work (e.g. see Bradshaw and Holbrook 2007), or are restricted by taken-as-nature myths of ordinal rank – for example, within the data

experienced and able photographers priced their work at a tenth of the price charged by novice painters, because they (and perhaps their customers) understand that their work is “only” photography (commercial) but a painting is ‘art’ (from the soul).

In terms of pricing, categorisation of the source (object and buyer) matters as it shapes categorisation of the money and which ‘rules’ are then thought appropriate. How one considers the money is interpreted as a signal of cultural capital and social position. Treating money as neutral is interpreted in this context as a signal that one either does not know ‘how it is done’, or that one’s object is lower status.

Having looked at the importance of categorisation of money by source (object and buyer) and the effect on price, I now turn to the next element in Zelizer’s framework: Categorisation of money by Holder.

### **6.2.2 Categorisation of money by Holder – the artist**

Zelizer (1994) points out that money may be categorised differently depending on who holds it. In the previous section I discussed the idea that the buyer as holder (source) appears to have a sometimes significant effect on the participants’ discourses of price. I now move from the buyer as holder of the money to consider what the research findings tell us about the pricer as (potential) holder of money, and whether and how this informs their pricing practice.

Within the data the importance of buyer as money source (holder) in determining money categorisation and associated practices was very clear. However, the importance of the *artist* as holder seemed to be less so.

In this first example categorisation by holder mattered, but did not affect pricing practice: Participant M used a ritual of category change learnt from her father to mentally categorise the money earned from her art into ‘my money’. M is the breadwinner in the family, so theoretically all money coming in could be considered her money; however, this was not the case. Instead, she only categorised the money that she earned from her art (source) as ‘my money’ (holder). The ‘my money’

category meant she could categorise it as ‘special money’ (earmarking), rather than ‘money to keep a roof over our heads’ (earmarking).

Using the ‘special money’ (to be used for art-related expenses) categorisation enabled her to control the money’s fungibility and liquidity, in direct contrast to money from other sources, which she saw as vulnerable to requests from family members, and as earmarked for mundane expenses. In this example, the source of the money (art) enabled the labelling as ‘mine’, and the holder category ‘mine’ supported her associated ‘art money’ earmarking. The holder category ‘mine’ did not seem to affect her pricing choices.

However, category ‘mine’ sometimes did appear to inform pricing. In this second example, PJ classified the money earned as ‘my money’, which meant that she could decide how to price her work.

Although the pricing of the vast majority of her work was treated in a very business-like way to maximise sales and profit (she was unusually cost-aware compared to other participants) in order to make a necessary and appreciated contribution to the household income, she explicitly chose to price one type of object in what she called “pin money” prices. She explained that what she meant by this was that for these objects she chose prices which were low enough for other women to buy the items with their pin money. She pointed out that although the profits from these sales were lower than they could and should be, it did not matter, because she had chosen to categorise this part of her income as *her* pin money. Her categorisation of the income as pin money (my special money) meant that it was withheld from the household pot and kept separate for her to acquire and use as she chose.

As Zelizer (1994) points out, pin money is a particularly gendered category of money, and may, as in this case, be seen as ‘treat’ money. Treat money is understood as somehow worth more, it is more special, than standard money. In this example the pricer’s categorisation as pin money meant that maximising profit was no longer the priority: it may *be* a lower amount, but to the pricer it *seems* like a higher one. Here

the categorisation of the money by holder (my money) as well as source (other women's pin money) and earmarking (my pin money) specifically informed her pricing decision.

In another example of categorisation by holder affecting pricing, two participants spoke of choosing "serious prices". They were both very assertive in their rejection of what they called "mates rates" (reduced prices) or any bartering (non-money prices). The 'No mates-rates' rule was interpreted by some other participants as anti-social and elevating and was simultaneously admired and criticised. This effect was important to these artists: they did want to be seen as different from hobbyist peers, and both said that earning serious money from their art was important in order that their spouse take their work and the time they gave to it seriously. Here, the social uses of pricing discourse and money were important, as well as the economic effects.

In cases such as these, the earning and holding of 'serious' art money was seen as an important part of the construction of both the holder— the serious artist, the object — 'art', and, importantly, the relationship between the holder and their spouse. Whereas in the example above PJ purposely chose the category 'pin money' and a lower price in order to express solidarity with other women, the two 'serious price' artists sneered at those who they felt priced their work in pin money, and instead priced to be treated as equals by their spouses.

In an alternative discourse, another artist who was debating whether to offer a discount to a friend (i.e. mates rates) said that when discussing the dilemma with a peer, they had pointed out to her "If your friends won't pay the asking price, who will?", which puts the onus of signalling friendship through price discourse onto the buyer, not the seller. In all four cases the pricing can be seen to be informed by social considerations rather than purely economic maximisation.



## Summary

It is useful to compare these examples of the importance of the holder in money categorisation with one of Zelizer's (1994) examples: children's money. Children's money – pocket money or earned money - is generally treated very differently from father's money or mother's money, even though there may be variations between families in their understandings of the implications of those category differences.

Zelizer points out that a child's money is treated differently *because* it is a child's money. For example, it would be considered rather low to use it for household expenses, as within the current affluent Western ideal a child (the holder) should not be required to contribute to household income. The way in which the money is construed by the other family members because it is classified as 'child's money' also confirms the status of the holder as 'child' within the family. The categorisation by holder is a way of using money to shape and support familial relations. For a parent to then ask the child for rent money would be to signal a change in the categorisation of the holder from child to young adult, and a change in the relationship between the family members.

The example of children's money illustrates two parts to the holder categorisation – firstly, it changes how others treat the money and their expectation of how it will be spent, and secondly, in their use of a particular money-holder categorisation and associated assumptions and practices they affirm their relationships and positions within the family. The research data suggests this dual function may be important in informing categorisation choice and effect on price. It seemed to me that in the example above, choosing a price that would lead to being the holder of 'serious money' was seen as a requisite for proving their Artist status to their spouse, and seemed to be tied up with ideas of equality and respect.

In PJ's case being able to contribute to the household 'pot' was important (she said that her earnings were an appreciated and significant contribution to the household income, suggesting group membership), but female solidarity (an alternative group

membership) and being able to give herself her own pin money was also important. Pin money is historically something given by the husband to the wife and which may be seen as a means of control and symbol of inequality. In PJ's case she was able to control how the money was categorised because it was *her* money to categorise. Having placed it outside the household money category by calling it 'my money' and then 'pin money', she could then earn it/price her art as she wished.

### **6.2.3 Categorisation of money by Earmarking**

Having discussed money categorisation by form, source (object and buyer) and holder, and I now turn to the main focus of money-practice research to date: what the money will be spent on (earmarking), in order to see if and how this type of money-categorisation is included in pricers' discourses, and if and how it affects price choice.

#### ***Introduction***

Earmarking is the practice of mentally or physically separating and categorising the money as being reserved for a particular purpose. In the following section I give many examples of earmarking discourses used by the participants in the study.

Prior research by Thaler (2008 [1985]), Belk and Wallendorf (1990) and Zelizer (1994) suggests that earmarking of money matters in consumption practices, and this research suggests that it also matters in pricing practice. Whereas Thaler suggests that pricers should be aware of consumers' mental accounting practices and price accordingly, he does not mention the idea that pricers too may have their own earmarking practices which may consciously or unconsciously inform and constrict pricing practices. Within the research data some participants used earmarking as a ritual of category change, to alter the categorisation of money potentially earned from dirty market money to clean money, e.g. through a translation of money into experience:

“... I ask myself what would compensate for the loss that painting... basically what sort of experience could I buy instead of having that painting.”

(RJC)

Two of Thaler's key points about earmarking are that firstly, earmarking or allocation to a particular pot affects its fungibility, and secondly, we use different calculations (mental accounting) depending on which pot the money is in. In terms of fungibility, the physical or mental allocation to a particular pot or category (i.e. earmarking) means that the money is not considered the same as other money – it becomes a special money, no longer available for other types of spending. For example, people save money in a holiday pot whilst owing money on a credit card which will almost certainly have a higher cost/rate of interest than would be gained in the savings pot – it does not make economic sense to allocate one's money in this way. Thaler points out that whilst much of the mental accounting behaviour he examines is not economically rational, it does appear to be normal behaviour.

As well as putting the money into different un-fungible pots whether it is rational or not to do so, the prior research shows that people treat money in different earmarking pots differently. For example, money from one pot or category may be construed as not appropriate for certain types of spending.

Whereas Thaler seems to regard allocation/categorisation as predictable, work by Zelizer (1994) emphasises the cultural element of choice of pot or categorisation and construal of the corollary rules and social uses of a specific pot allocation. Belk and Wallendorf (1990) and Zelizer (1994) emphasise that how money is earmarked depends on where it came from – for example, Zelizer cites a study of the money habits of a group of prostitutes who earmarked the money they were given by the government (source) as 'bill money' (earmarking), and earmarked money they earned from their prostitution work (source) as 'pleasure money' (earmarking). That is, they created a clear distinction between the two categories of money, based on the source and extended into how that money would/should be spent.

Zelizer discusses how earmarking can be used as a cleansing ritual to change the source-based categorisation of the money. For example money earned from drug-running may be categorised as ‘dirty money’, but earmarking it for the church collection plate could be seen as a way of cleaning it. Others may think that money earned in this way should not be brought into church, implying that the money has more power to taint than the church has to clean. Earmarking and the effect of earmarking is learnt, not nature.

Drug-running and prostitution may be seen as extreme examples of money source, but Zelizer shows that even common sources of money (e.g. employer/wages, customer/tips, parent/pocket money) are also not treated as neutral. Instead, how these sources and money are understood appears to affect the categorisation of the money and how the money is earmarked.

## **Earmarking and hard circumstances**

As demonstrated by Zelizer (1994) , the practice of earmarking according to source is common, and, as earmarking practices and construals are social and learnt, there are differences in understanding of earmarking-by-source rules. However, research by Venkatesh (2006) suggests that earmarking according to source may not always occur.

In her otherwise very favourable review of Venkatesh’s *Off the Books*, Zelizer (2008) queries whether Venkatesh is correct in suggesting that source of money does not affect earmarking within his research context:

‘Venkatesh repeatedly claims that the source of a given chunk of money does not affect how people use the money. That claim runs counter to the widespread observation of two monetary practices: first, the earmarking of expenditures according to the source of income, and second, the use of ritual to transfer money from one category to another. It would be interesting to

hear whether such practices simply disappear in the hard circumstances of Maquis Park.'

(Zelizer 2008, p.192)

My research data suggests that 'hard circumstances' may indeed play a part in determining whether money is earmarked according to source, and what rituals of category change are used, if any. However, it seems important to draw out a point that both Venkatesh and Zelizer make but do not emphasise, which is that 'hard circumstances' reflects more than just economic capital: the hard circumstances also inform cultural capital, which can be thought of as knowledge gained over generations regarding 'how it is done' in a particular context. Discourses of earmarking by source are learnt, as is the understanding of whether this type of discourse is desirable or necessary. Earmarking may be as much about the discourse as the actual movement of money, and whatever the practice (hard to observe), the discourse of earmarking-by-source may be absent unless it is seen as 'natural', or desirable.

Whilst none of the participants in my study were in such dire straits as Venkatesh's Chicago ghetto residents, there were some who were distinctly less affluent than others. Within my research three participants were notable in their discourses of being very close to the breadline: one told me that he was "just.. making a scraping, really" (PP 116). These participants talked explicitly of having bills to pay, and that selling their art was an important source of income for this humdrum purpose. Prices were chosen and adjusted based on need. For example, PP drops his prices on Saturdays if he needs to make more money that week, and DK keeps her prices relatively high because she has to make a living from her work.

Unlike other participants, these less well-off artists did not talk of 'art' money as dirty money that needed cleaning, or special money, earmarked for special treats or art-related spending; instead they talked about their pricing and their art as a source of much-needed general money, used for whatever bills arrive. For example, one participant told me about how, at a very tough time in his life, he had realised that he

could earn money from his art. Here, in a very different discourse to the Romantic ideal, PP remembers the pleasure he felt when he realised that he could earn money in this way. Far from thinking that the Art and Commerce spheres needed to be kept separate (Kopytoff 1986), he was excited by the overlap:

“I can remember, can remember, just taking it, taking it out of the kiln, and someone coming up to me and saying “Do you sell them?”

And I can remember thinking “money” “clay” “Money” “Clay” (miming holding clay in one hand, money in the other, lifting first one then the other, looking at each hand in turn, in wonderment. Growing big smile. Both laugh in his delight).

And that was the first realisation [that my art could be a source of money].”

(PP)

I suggest that although for these participants their low overall income and lack of alternative sources of income may be a significant reason for their lack of discourse of special earmarking by source, the lack might also be that these participants do not know that their bill-paying discourses and lack of discourse of special earmarking would be interpreted within the field as a low-status ‘doesn’t get it’ discourse, especially if used by someone who appears to wish their work to be understood as Art.

Two of these participants told me that they come from very working class families who have no interest or experience of the artworld. It is not just their economic capital that is low, but also, and possibly more importantly, that their cultural capital within the field is different to that of other participants. Their exposure to ‘how it is done’ has been very limited compared to other participants I spoke to. I suggest that they do not know that they ‘should’ be using a ritual of category change from tainted money (money earned from art) or mundane money to ‘special money’, as this is what is required as demonstration that they know ‘how it is done’ in the field.

From the interviews, ad hoc conversations with participants' friends, and observations of participants' homes, there were other participants in my study who may have similarly low incomes, but have higher cultural capital. Although these other participants might equally need the money, and, like PP and DK, might use their art money for mundane purposes – after all, I have no way of checking - they chose to *talk* about more special earmarking, using the artworld ritual of category transfer from tainted to clean money.

### Summary

‘Hard circumstances’ may indeed affect the money practice of earmarking by source, not just because scarcity of money limits choices, but also because hard circumstances affect cultural capital, which underpins choice of object categorisation (here money categorisation) and meaning-making (Bourdieu 1984).

## **Earmarking and price**

Extrapolating from Zelizer's (1994) and Thaler's (2008 [1985]) point that we earmark money into non-fungible categories and treat the categories differently, I wondered whether the earmarking of monies potentially earned from art would affect the prices that people chose. That is, if the money will be used for something specific such as bills or fun- money, as in Zelizer's example of prostitutes, would the prices charged be affected?

## **Earmarking not affecting price**

As already mentioned, discourses of earmarking to create non-fungible pots did occur within the data – you may recall the example of participant M who saw her art money as her special money, and used this categorisation to keep it separate from the household money. The categorisation did not however seem to have informed her choice of prices. To check this, I asked her whether she considered her earmarking when pricing her work – for example, did she know the price of the next bit of framing she wanted done, and did that affect what she would charge for the next piece she sold? She seemed genuinely surprised by my question, and waved the idea aside.

Although in this instance the discourse was that there was no link between M's earmarking and her pricing, other participants implied or made explicit that the earmarking had affected the prices chosen.

## **Earmarking affecting price**

The rejection by (M) above of the idea that her earmarking might affect her price choice is in direct contrast to the example of artists who chose a price specifically by considering what they would like to spend the money on (the earmarking): in the



case of SC the price was the cost of an art course she wanted to do. Other examples of earmarking affecting price choice are discussed below:

ML said that he had chosen relatively high prices because

“if I don’t... *actually* want to.. um keep [the picture] at all costs...., I *will* put a price on it...but I decided: *How* much money would compensate me for its loss? So it *may* not be at all realistic over...how much money other people would be prepared to *pay* for it, ....but... I didn’t *care* about that, because I wasn’t *trying* ..to make the transaction go ahead. I thought, I was thinking *only* of myself. I’ll either go home with a *picture*, and I’ll be happy. *Or*, ...if I put some um *large* price on it like three thousand quid, I thought Ok, I *won’t* have that picture any more, but, I could do so much with the three thousand quid that I’d be happy about that.”

(ML)

Here ML is suggesting that what he could do with the money (earmarking) was an exciting idea, but only if the amount of money was sufficiently large to compensate for the loss of the picture and generate excitement. He is aware that he could easily sell his work at lower prices, but that smaller money does not generate exciting earmarking thoughts. He also is very aware that he is highly unlikely to sell his work at the prices he chooses, but that is ok – he explicitly rejects economic and marketing considerations, placing himself outside the group of ‘others’ who are focussed on earning money at the trails:

“for most of them it was because it was a source of *income*, and they would very happily....have more *space* around the house getting rid of that stuff, and money in their pocket. Whereas for me it was for the craic! My kids carried the pictures up the road and round the corner (waving hands), and when the weekend was over they carried them back, and in between went up there and drank cups of tea and chatted to ....appreciative people (SS

laughs, and you can hear the smile in his voice as he describes the children carrying the pictures and the weekend), which is a *fantastic* puff to the ego! It was a, it was a nice thing to be at.”

(ML)

What seems to be important about discourses of earmarking is the social as well as economic effect of that discourse. In the case of SC, when she was asked the price of an un-priced painting her reply began with a consideration of costs. She then rejected that pricing heuristic, and told the prospective buyer that the price she would charge would be the price of an art course she wanted to do (art money earmarking). In other words, the transaction was cleaned by earmarking the money as special and non-fungible art-course money or ‘sacred’ purpose (Belk and Wallendorf 1990). Rather than a discourse of economic logic, the choice of price seems to have been largely informed by SC’s understanding of how to do discourse of price in that context, with that buyer.

The discourse and its desirability is learnt, not nature, and SC’s demonstration that she knows this discourse, and the buyer’s apparent agreement with the pricing logic can be seen as a social rather than economic act, confirming that both parties think (or at least prefer to let it be thought that they think) that ‘art money’ rather than economic rationale is preferable. The choice of discourse and price was about social positioning through an apparently shared interpretation of the pricing discourse.

In another example of a ‘sacred’ earmarking, the artist cleans the commercial act of pricing art by talking of it as a form of artistic Robin Hood activity. The money source and earmarking affected the price chosen: she used high prices when selling to rich people buying art as an investment (not a ‘good home’, so tainted money), and earmarked the money for making other paintings and subsidising the low prices she charged a different type of customer:

“and of course prices in London just continue to escalate and (unclear)... up for investment... and I wouldn’t touch it [the London art market] with a

barge pole really. Actually I would, that's not quite true, I did some paintings to sell ... err ... sold for quite a lot of money so I could... really get on with the paintings that I wanted to sell to people for reasonable prices (unclear, laughing).....

I don't mind if people want to pay outrageous sums... or not [buyers] in that category, (laughing)."

(RJC)

In another example of social meaning-making through pricing and pricing discourse, two artists implicitly earmarked their money earned as 'status-signalling money', rather than suggesting any other earmarking (e.g. bill-paying, or 'art-for-art' earmarking). Both mentioned that "serious" money was needed to make their spouses take their Art seriously. In both of these cases, the participants' earmarking had shaped their decision to only use "serious" prices (£1,000+), and to never offer "mates rates".

This is in direct contrast to PJ, who was commercially by far the most successful of all the people I interviewed. She had a range of earmarking and pricing practices, which were informed by notions of solidarity and partnership rather than a rejection of 'mates' and fight for marital equality. Importantly, PJ explicitly chose to use lower prices for part of her range than she would otherwise have chosen were it not for her earmarking. She chooses lower prices because she wants other women to be able to buy those pieces with their pin money, and their pin money becomes her pin money. Rather than being about economic maximisation, this pricing appears to be to do with gender solidarity with the buyers, and small intimate pleasures with her family - such as sharing a bowl of early-season cherries with her children. She sells in volume, and makes a significant and appreciated contribution to the household income. Intriguingly, her partner was encouraging her to change to a different type of work which would have greater kudos with the intelligentsia (of which he is a group member) but which would entail a significant economic loss.

## **Earmarking: needing the money (bill earmarking)/ not needing the money (treat earmarking)**

One might expect those earning their living from their art to be particularly price-maximising, and indeed the artist who used the VISA machine could be said to be maximising prices and sales. However, maximisation was not necessarily the case, as PJ's pin-money prices illustrated, and as can be seen in the example of PP below:

PP proudly told me that for years he'd made his living and supported a family by selling his art. He sells through many galleries and from a stall that he takes to various craft/art markets in the region. However, he has a number of unusual money practices which seem to limit rather than maximise his prices. For example, because he wants prices to be stable across all galleries, regardless of geographic proximity or other considerations, he tells the galleries what he wants his pots to be sold for, knowingly going against the normal practice of stating the minimum he would be happy with and letting the gallery choose the retail price.

"So what I do, is before I go there, is I put my *own* prices on them. Just put my own stickers on all of them. And when I take them there I say "Don't...They're not to be removed, that's the stickers. That's the prices that they're gonna be, and minus your...whatever you're going to take. So its just the same all over the board basically.""

(PP)

However, whereas he wants the gallery prices to be "just the same all over the board, basically", he reduces the prices of the pots he sells from his stall at the end of each week if he needs to boost his cash flow (earmarking for bills).

In his expectation that a decrease in price will lead to an increase in demand, and vice versa, PP was using classic Supply and Demand theory. However, he was very much thinking in the short-term – a weekly balancing act – rather than longer term,

and his variable pricing on the stall is at odds with his pricing logic for galleries, in which he wants the same price across the board. His focus is short-term income rather than overall profit, and does not know the Veblen signalling use of price. PP attributed this short-termism to his upbringing: he was used to working hand-to-mouth rather than thinking in the longer term because he had grown up in a very working class milieu where everyone did this, getting a weekly wage rather than a monthly salary.

PP's supply and demand interpretation has been supported by his experience, in that he has found that he makes his money from the cheaper 'seconds' he sells on the stall, which are bought in bulk:

"..because they're not quite right, they're 6 or £5 a mug....they'll go "I'll have 4 of those". And you'd get that quite often during the day, (laughs) and *that's* your money!

Whereas your good stuff isn't. Its, its really strange. And that's [i.e. the money from seconds] what you're living off of."

(PP)

Whereas other pricers within the research context (e.g. GA, SH) saw high prices as signalling object category and position (marketing mix construal), participant PP seems unaware of this use of price. Although he interprets higher prices as partially a reflection of technical skill and customers' understanding of the object as "investment" rather than "useful", he sees the high price as primarily a reflection of the maker's ability to wait, which he feels is based in them 'not needing the money'.

### **'Not needing the money' and higher prices**

PP wants to put out a teapot that "goes over the £100 mark" (line 540), a big increase on his current £50 price, but he is scared about doing so, as to him that would necessarily mean that he'd have to sit back and wait for the sale.

“(...)And to move on to the next stage as well is...That’s *frightening* as well, actually. Because you think Well, do I *put* a teapot out there for say 200 pounds? Do I put a mug out there for 20 pounds? And ...sit back and be totally scared, and think God! (laughs) Is it going to sell?”

(PP)

To PP the idea of being able to wait, that is, of ‘not needing the money’, is the key to higher prices:

“(...) People can wait, can wait out the time, because.....they got another good job somewhere, and they don’t have to depend on that money coming in. So they can wait it out, they can bide their time.”

(PP)

He feels that not needing the money also underpins the higher prices charged in some of the galleries he deals with, in that he feels that the gallery is not the sole or needed income:

“(..) I shouldn’t say it.....but they have a partner, who’s got a nice good job, and they’re subsidising their gallery, basically. So they don’t have to make a lot of money, or, you know...as long as they cover their overheads that’s ok. And...you find, in a lot.....its silly. But um....its like, a gallery, to some people, is like a hobby, its something they’ve always wanted to do, if you know what I mean? Whereas the places where I sell really well in, its their livelihood, and they’ve got no-one they can fall back on, and that’s it, they’ve *got* to make the money, they’ve got to cover their overheads, and they’ve got to make a living out of it as well. And that’s the ones that I sell...that’s the ones I sell best in.”

(PP)

PP briefly discussed the need for improvement in his technique before the higher prices could be warranted, but he kept coming back to the idea that higher prices are charged by those who are less in need of the money – “they’ve got another good job somewhere and they don’t have to depend on that money coming in” (PP, 429). To PP, his short-term need for money is the nub of what is holding him back from charging higher prices.

PPs interpretation that *higher* prices were a result of not needing the money was not shared by all participants. Instead, some suggested that not needing the money caused *lower* prices:

### **‘Not needing the money’ and lower prices**

Like PP, DK and BD both earn their living from their work. In separate interviews they told me about the pricing problem caused by what they called hobby artists. Whereas PP (above) suspected that high prices were chosen by those not needing the money, to DK and BD hobby artist were seen as a problem as they choose low prices for their work, distorting customers’ perceptions of the market.

“...I think there’s a *lot* of people *under*-selling their work  
.....considering..if you can see how much work has gone into it. And like  
the *method* they’ve used. They might be selling I don’t know, an original  
painting for about 20 odd quid, and you think ....“That’s ridiculous!” (laughs)  
Really.

That don’t really make me (unclear) look good, ....I don’t think. But also, if  
you *do* talk to them they’re more likely to be the ones doing it for a hobby,  
and it does make, and I do think it makes people, who are trying to be  
serious about it - makes it difficult for them.”

(DK)

DK and BD implied that the hobbyists chose low prices because they were earmarking it as ‘treat’ money, not ‘to keep a roof over your head’ money. Note, it is

the lack of need of the money and resultant “under-pricing” that causes DK and BD to categorise the low pricers as hobbyists, not the artistic or technical skill involved in their work. Both DK and BD said the low prices of hobbyists was a problem as it made it harder for artists like them who were “serious about” making a living from their art (earmarking as bill money) to charge and get “sensible” or “decent” (i.e. higher) prices.

“I’ve come across.... *professional* artists, who ....in *some* ways....don’t *disapprove* of under-pricing, but you know (unclear) there *are* people who ...do it as a hobby, and then charge *very* small amounts, ...and *they* [the professional artists]’re trying to make a *living* out of it, and ...so have to actually charge *decent* prices”

(BD, 76)

The idea of ‘earning one’s living’ could be seen as earmarking to cover costs plus make a profit. It could be considered to be a very mundane discourse or a business discourse, which may be why it was generally considered an undesirable discourse within the context. I say undesirable, because those who knew the higher status Romantic discourses generally avoided mentioning costs or need, and often explicitly rejected it by using statements such as “I don’t need the money”. Discourses of earning one’s living and needing the money were much more likely to be used by those who were less familiar with the high status repertoire, and discourses of covering costs were more likely to be used by those who were producing lower-status craft work such as illustration, photography, textiles, and ceramics. For craft objects costs are treated as measurable and relevant, whereas, as I was told on many occasions, for Art “you can’t think of it like that!”

## **Earmarking: Irrelevant and/or Undesirable**

Within the research context, to talk about earmarking is to reveal that one is thinking about money, which may be why earmarking discourses were often avoided by those



seeking to emphasise their knowledge of the higher status Romantic discourse. One can also avoid an earmarking discourse by not pricing the work. Choosing to show un-priced or unsellable work could be seen as a clear expression of not being driven by the money (conforming to the intelligentsia version of the Romantic ideal discourse).

The main examples of unsellable work within the trail were installation work (which is temporary and site-specific), or performance art. During the research period no-one in an affluent trail area showed either of these two types of art. These unsellable (and therefore clearly distanced from the market) forms of art are encouraged by the Fine Art tutors at the local university and schools of art, in an echo of the choices of elite London institutions such as Tate Modern and Hayward galleries. Choosing to make that type of work therefore suggests a particular high status cultural capital within the field.

Rather than an even distribution across the trails, or perhaps a skew towards the more affluent and cultured areas, all of the (intrinsically un-sellable) installations and performance art appeared in the trails in the less wealthy areas, and were made by artists with relatively little economic capital but with recent university contact. My assessment of economic level was based on visits to their homes, and on-going contact with the participants and their friends.

The absence of money and price, engineered through the choice to make un-priceable art such as installation or performance art, highlights the importance of meanings of money and their social uses, and how this might outweigh economic concerns. Here those with less economic capital are willing to forego the opportunity to gain some money (they could have chosen to paint and sell some pictures), preferring instead to use the trail as a (possibly rare) opportunity to demonstrate cultural capital to neighbours and artworld peers.

Far from being neutral, through its absence money can be seen to be treated as significant, in that treating it as undesirable or irrelevant appears to be understood as

having field-specific cachet and enabling social positioning. In the case of trail participants with lower economic capital and therefore fewer ways of demonstrating cultural capital (no fine furniture, art collection, grand piano....), the chance to demonstrate cultural capital through shunning of the market appears to outweigh the loss of economic capital.

## **Earmarking: Special Money/ Not needed**

Avoiding money by removing one's work from the market by making installation work or performance pieces is an extreme 'separate-spheres' position. However, if one knows them, there are alternatives which allow participants to price their work whilst communicating knowledge of and agreement with the 'separate spheres' ideal.

For example, the discourse of earmarking the money earned from art to buy art is widely understood within the field as an acceptable way of mentioning money, and a cleaning discourse. This interpretation is supported in the wider artworld media. For example, there was widespread reportage of Hirst's use of some of his millions to buy a painting by Bacon, which seemed to be suggesting that art-for-art could or should be seen as an ameliorating practice, akin to donating drug money to the church, or media money to Oxford University: perhaps one should not categorise Hirst and his money-earning as all bad, as he uses the money to buy 'good' art. That is, the earmarking 'art-for-art' seems to be used to clean what might otherwise be categorised as dirty money (money from art) and tainted art. As shown in the example in which SC charged a price that was the cost of an art course she wanted to do, an art-for-art discourse allows pricing, and may directly influence the amount chosen.

An alternative earmarking is through a discourse of 'not needing the money', in that it implies an earmarking of any money earned as 'special' or 'treat' money rather than necessary money. 'Special money' has a variety of associations:

For M the ‘special money’ categorisation meant that it was protected money, earmarked by her for spending on art-related things such as framing. For PJ her ‘pin money’ categorisation was her special money, kept separate from the household bills or production costs, and to be used for small treats and luxuries. For artist DS the choice of price put the money in a special category – she chose much higher prices than is normal on a trail or for someone with no art curriculum vitae, appearing to use the price to create special ‘enchanted’ money which did not erode the Art categorisation of her object in the way a more prosaic price would have done. When a buyer made the overlapping spheres very visible through offering to buy the piece and haggling (a very wrong market-based discourse), the artist angrily removed the piece from the market. In doing so, she made the price ‘not needed money’. Here protection of Art and Artist category through evidence of high status interpretative repertoire was more important than economic gain.

Although in DS’s case ‘not caring about the money’ was the overriding message and resulted in zero income, ‘not needing the money’ was frequently used within the data as a discourse which enables pricing and the acquisition of money whilst protecting or elevating social status.

## **Earmarking: Not needed money leading to higher prices**

Whereas BD and DK (see above) interpreted *low* prices as the result of hobbyists not needing the money, from analysis of the data ‘not needing the money’ discourse did not necessarily lead to lower prices –instead it more often seemed to be used to support higher ones.

Rather than talking about what they wanted the money for, some artists were at pains to point out to me that they didn’t need the money: “I’m blessed with not having to to earn a living [from my art sales]” (GT), yet his prices are far higher than most

others working in the same media. “I don’t particularly need to sell ....” said RJC, yet she too chose substantial prices.

Many participants said that the fact that they don’t have to earn their living from their art “kind of underpins things”, (GT). Some of the participants, like GT, spoke of ideally covering direct costs (e.g. the cost of the pitch at an art fair, or the framing and paper costs of a photographic print), but the idea of talking about needing to earn money from their work seemed anathema to many. This is perhaps not surprising, given the ideal separate spheres discourse, in which art should come from the soul, not be driven by market concerns. What should be visible is that

“there’s a *passion* behind what you’re doing. Rather than you’re just painting it for someone to *buy* it.”

(DK)

I suggest that in order for the discourse of lack of interest in money to enable sales, one needs more than this discourse alone. It requires a surrounding discourse – words, behaviours and material artefacts – which support the idea that you do not need the money.

By looking at those who price within that supporting context it is possible to see that rather than making high-status (but zero economic benefit) installation art, participants in the affluent areas showed sell-able work, and chose relatively high prices. They do not need to make unsellable art to show that they know the ideal Romantic discourse. They do not need to remove their work from the market to show that their work is art from the soul, because their discourse (words, behaviours, material artefacts such as the contents of their houses) shows that they are not making it for the money and that they are already economically and culturally well off. The message is that they make their art because it is what they want to do (i.e. it is from the soul), and it should be taken as clear that they are not making it because it will sell. Their creation of a cultured ambiance and demonstration of knowledge of

the Romantic separate-spheres ideal frees them to make sellable art, and put it clearly for sale. And it sells, creating a virtuous cycle.

There are a number of reasons why these more affluent participants might choose higher prices, including having the luxury of being able to “bide their time” (PP, 429), the size of their own ‘treat/art money’ pot, the likely income of their friends and neighbours (who are invited to the trail) and their idea of what people like them are likely to pay. I suggest that demonstrating ‘not needing the money’, which suggests economic and cultural capital is likely to support the realisation of higher prices, whereas serving Tesco ‘Value’ mince pies during the trail, as one artist did, is likely to undermine it.

## **Earmarking and price Summary**

The data suggests that earmarking is an important part of some pricer’s discourses, and affects price choices in a variety of ways. Whereas Zelizer writes that source of money necessarily affects earmarking, my research corroborates Venkatesh’s (2006) finding that ‘hard circumstances’ may influence whether and how money is earmarked. However, I suggest that the effect of ‘hard circumstances’ on money categorisation and uses may be to do with cultural capital regarding what discourses are appropriate or desirable, rather than solely linked to economic constraints.

In her citation of the example of prostitutes, Zelizer (1994) shows that they earmarked money from the government for bills, and money earned through prostitution was earmarked as a type of ‘fun money’. However, my research suggests that interpretation of the source (here art or craft object) and the money earned from it will vary – it is not consistently interpreted as clean or dirty money. The interpretation of source (art object/craft object), and associated interpretation of money gained from that source will affect the corollary discourses of earmarking. That is, the interpretation of money by source, the understanding of appropriate earmarking, and the choice of discourse are complex, context-specific learnt practices.

I had wondered whether a particular earmarking practice would affect pricing – that is, did the prostitutes charge differently if the money was earmarked as ‘fun money’ rather than ‘bill money’. Although I have not examined prostitutes’ source categorisation, earmarking and pricing practices, I extend Zelizer’s money-meanings research to suggest that the social meaning of earmarking discourses, as well as the objective elements of an earmarking (e.g. the cost of SC’s art course) may affect pricing, in that the desire to use an acceptable or desirable discourse of earmarking (including rejection of money altogether, as in the case of installation or performance art) may outweigh economic logic.

Earmarking may be used to signal interpretation of the object being sold, and understandings of the ‘correct’ associated money practices. For example, use of ‘not needing the money’, which is a ‘correct’ earmarking discourse for an art object, enables participants to negotiate the art/commerce overlap, and (as it is evidence of cultural capital) supports higher prices. Earmarking discourses which construct the money as special money or clean money are a route to engaging with the market and pricing in a way that suggests cultural capital in the field, and high status. Earmarking can therefore be seen to be a money practice which has positioning as well as economic consequences.

Using the wrong earmarking discourse may mean that one is excluded from social and professional circles, and may lead to loss of economic opportunity. Using the right earmarking discourse (for Art, this is primarily avoidance of acknowledgment that money is potentially being exchanged, as demonstrated by Velthuis’ gallery owners; for Craft it is pragmatic money-handling) is part of the overall pricing discourses which enables categorisation of one’s work as Art, and this in turn frames the price range and the likelihood that one’s work will sell for ‘serious’ prices.

### **6.3 Variation in interpretation of money categorisation: the importance of class.**

Although money is assumed to be neutral within price theory, from the more substantive theory approach used in this research in which subjective experience is

taken seriously, one can see that pricers draw on different interpretations of money when talking about price and pricing, and that this matters. Choice of money interpretation appears to be shaped by knowledge of available options and the pricers' understandings of which discourses of money and commensuration are appropriate for their type of product in that context.

Ideas of what is appropriate appear to be informed at least as much by social considerations as by economic ones, supporting Zelizer's point that money is used in a 'delicate social process, making cultural and social differentiation increasingly elaborate' (Zelizer 1994, p.205). Choice of discourse of price intentionally or unintentionally implies membership or distance from particular groups within the social and field's hierarchy. As discussed in the Literature Review, the use of market objects and behaviours in social differentiation is not unique to money or price – the body of research known as Consumer Culture Theory focuses on the ways in which people turn material possessions such as their cars and their clothes into socially meaningful objects through negotiated categorisation. This research has turned the analytic focus to show that pricing, as well as consumption, can be considered to be a socially meaningful and socially-informed practice.

Although Thaler's (2008 [1985]) work on mental accounting assumes that people will treat money in predictable shared ways depending on which pot they have allocated it to, Zelizer's work showed that categories of money, 'pin money' or 'wages' for example, may be interpreted differently depending on geo-historical location, gender, and class. Variation in money categorisation and interpretation was also visible within my data, and appears to be associated with social group. Importantly, how money from pricing one's art is understood informs how one approaches pricing, as participant BR explained:

"Ah, but you haven't mentioned family background. That must matter enormously. How you think about money, for a start."

(BR)

BR told me that her understanding that money is unmentionable was very class-based (specifically, very middle-class). It was learnt from her parents, and, she felt, requires un-learning if she is to be able to earn a living from pricing and selling her work. Whereas her parents must have thought knowing the middle-class way it is done was important given how firmly it was drummed in (any mention of money was punished), she feels that her learnt interpretation of money as unmentionable – even unthinkable- is “ridiculous”, and “paralysing” when it came to pricing.

“One was actively discouraged [from talking about money]. For example, we were not allowed to ask for pocket money, and once it took ages – 17 weeks – for our father to realise that it was a while since we’d had any. He looked in the book and found it was 17 weeks! But we couldn’t ask for it. I learnt that very clearly. My sister (X) was told off for just *looking* in the direction of the cupboard which the pocket money was kept in.”

So that was how I was brought up – money was not discussed, or even mentioned. Which is a real disadvantage!”

(BR)

The ‘dirty’ interpretation of money is very deeply rooted, BR felt, and she said that she recognises that other people have been taught to interpret money differently – that is, far more comfortably – and this makes it much easier for them to price and sell their work.

“A friend of mine (Y), he’s an artist, he’s very good at self-promoting and has no troubles price-wise... he was brought up going to the market every Saturday with his father, and with his father saying things like ‘Oh, I wouldn’t pay that for *that*!’ and so on, so he was very used to the idea of thinking about and talking about money, it isn’t a problem for him.”

(BR)



Because BR associates discomfort with money so firmly with being middle class, the implication of Y's family's ease with money conversations and Y's ease of pricing his art is that Y and his family are not middle class. Although BR's "middleclass" upbringing in which money was interpreted as a taboo topic was "ridiculously inhibiting", and she said that it puts her at "a grave disadvantage" when it comes to pricing her work, her discomfort with money does fulfil class-signalling function and is an artworld ideal-discourse, which may be useful in positioning her work as more desirable: she clearly 'knows how it is done'.

What is different in BR's case compared to Velthuis' (2005) gallery owners is that her money-discomfort, as with that of another participant ML (landed gentry family) appears very real, and pervasive. In contrast, for Velthuis' gallery owners and some of the participants within my research money-discomfort appears to be a field-specific strategic temporary discourse – as Velthuis pointed out, the gallery owners refused to talk about price and money when with the art, but later and away from the art they appeared to thoroughly enjoy the monetary aspects of their art dealings.

In a similar manner to Velthuis' gallery owners, many of the middle-class participants in my research appeared to use the separate-spheres discourse selectively (e.g. PR's "muddy depths" and FW's "good home"). This showed familiarity with the Romantic ideal and its contextual nuances, an expectation that it would be interpreted as masking money transactions and performing category changes, and the assumption that this would enable successful (socially and economically) pricing and sales.

Rejection of money from art by choosing to make unsellable work is a positioning discourse which may be interpreted as signalling high status by those who share that interpretive repertoire. In the research context this approach to the market was notably used only in the less-affluent trails, and because of the high visibility of this discourses within the university and other art institutes, its use clearly signalled espousal of the intelligentsia discourses and implied membership of that group.

The intelligentsia discourse appeared to be used as a source of status when signalling status through resources which require economic capital (such as large house, fine furniture, etc.) was not possible. However, whilst using this approach may be a source of status within a sector of the field's hierarchy, a rejection of the market generally removes opportunities to make economic capital unless one uses the solution of moving from art-making to art-teaching, or applies for funding through competitions and residencies.

As discussed in the section 'Apprenticeships: Pricing as Learnt Practice', discourses are learnt, and although opportunities may exist to learn new interpretations, one's background informs whether or not one does so (Bourdieu 1984). For example, consider two participants with working-class roots, DK and RJ:

DK told me that she was doing an MA to learn how to talk about her work to gallery owners, as she wants to sell more of her work and sees galleries as an obvious route to do so. However, ex-student RJ pointed out that she had been taught at university that sales was an unmentionable topic, so it seems unlikely that DK will learn the discourses she is hoping to learn :

"I've been kind of doing it [making art] for the tutors, if you like, cos they're the people who've been judging my work, and they've judged it not on its saleability, I mean, (small laugh) that that was almost a dirty word!"

(RJ)

Importantly, although saleability was "almost a dirty word", RJ had also learnt from her university tutors the unspoken rule that making money through selling can be construed as acceptable if the sale is firmly constructed as a by-product, not the aim of the production of the piece.

Rejecting or masking the importance of sales was a discourse used by many of the research participants, often appearing as a way of distinguishing between themselves and 'others'. For example, middle-class participant (RJC) said that other people may

see sales as an important source of validation, whereas her approach is “quite different”.

“...it’s really important to some for my friends that they sell things, that’s the validation. I get the validation other, other ways you see. I get it other ways. Err... (unclear and quiet) ... quite different”

(RJC, 218)

RJ, an older participant, came from what she termed a very working class background. However, she has had far greater exposure to middleclass culture than DK or PP. RJ’s father was in service to wealthy employees, so he was familiar with some of their rules and expectations. Perhaps unusually for someone from her background she married a doctor and was used to his medical friends, and that became her social group. Having left school at an early age as was normal in her milieu, her contact with her husband and his friends brought it home to her that she was just as bright as they were, and so she studied for a degree as a mature student in a prestigious university, and has continued to access various forms of further education ever since. She was aware of and intrigued by the variations in interpretive repertoire, and more willing than other participants to learn and adopt alternative repertoires of ‘how it is done’. That is, unlike the Clifton Ladies at one end of the social hierarchy or DK and PP at the other, RJ seemed more aware of the construction and variety, rather than inherent nature, of ‘how it is done’.

DK is from a very working class background in which no-one apart from her has any interest in the arts. After completion of her MA she seemed less interested in the intellectual discourses than she did before she started. Although she has rejected the conceptual/intellectual discourses, she sees herself as ‘artist’ (“It’s my vocation”) not a craft maker, although she esteems technique and ‘the work gone into it’ highly. She has relatively few opportunities to witness and learn the bourgeois discourse that allow participants to earn money from their art whilst maintaining the appearance of separate spheres. Importantly she also does not seem to be aware that this discourse

exists or might be important, so she does not look out for it when visiting galleries or when talking to more middle-class students/trail participants. In contrast, middle-class participant AJ makes a point of chatting to gallery staff and senior personnel specifically to pick up the subtle communications re what language and work is ‘in’ and what is not, and she enjoyed unpicking the conversations with me later – an unpicking which she appeared to see as being for her benefit, not mine. DK, on the other hand, visits galleries less often, and only does so to look at the art, not to consider the gallery and its workers as exemplars of ‘how to sell Art’.

RJ, with a wider cultural capital built through long exposure to different social groups, appeared to be aware of the option of using anti-market ‘dirty money’ discourses learnt at university to signal of membership of the higher status ‘intellectual’ group. She told me that when she joined the trail she had to negotiate the gap between the university-taught idea that saleability is “almost a dirty word” and her urge to sell her work. She chose DK as her mentor for the actual prices and heuristics (e.g. that there is a differential between framed and unframed work), but not for her discourses with potential customers.

“And now, the idea of producing stuff that I think is going to sell is a completely different concept!.....And one which I’m, I’m, having,... a bit a bit of difficulty with. Because... you know, ...you have to compromise. (294) If you, if you’re producing stuff that you think people are going to buy, there’s.. no.. point in producing.. weird and whacky stuff that you know,.....that uh that kind of um... expresses... some kind of uh esoteric concept ...that people are just not going to get, and possibly are not going to be interested in anyway! Um it would be very different producing work for a gallery, say, that um, that get put on exhibitions that were not necessarily going to sell, but which were.....of interest to the public. But this idea of producing to sell, is a new... idea for me, and just producing work to sell has been strange (laugh in voice), never mind putting prices on it!” (RJ)

This idea of the necessity of compromise between what art 'should' be and what type of art will sell is an important learnt intelligentsia discourse. However, whereas RJ (only recently out of tertiary arts education) is finding the idea of producing work to sell strange, the Clifton Ladies avoid this dilemma by using a different criteria of 'what is art', in which work which "weird and whacky stuff that (.....) expresses... some kind of uh esoteric concept ...that people are just not going to get, and possibly are not going to be interested in anyway!" is no more 'art' than work which is beautiful, representative and widely appealing, and may in fact be less art.

Although working class DK uses some Romantic discourses for example "It's my vocation" and emphasises that art should be done because it is what you have a passion for, not because it will sell, DK's primary aim seems to be in selling more of her work without learning the pricing discourses (or 'plinth') expected from her by her main customer group, the middle classes. She assumes that her categorisation of her work as 'Art' is sufficient, and that she is selling to people with the same interpretive repertoire as hers. From observation at many of her exhibitions, this is generally not the case, and she runs the risk of being seen as 'not like us' and of unwittingly undermining the 'art' categorisation of her work.

As well as restricting economic opportunity by potentially losing customers, DK restricts her work and economic opportunities in a way that more middle-class participants do not because of her interpretation of the desirable discourse of not being commercial. For example,

"SS: How about if you really enjoy doing it, and that's what you want your work to be about, AND you know it will sell...is *that* being commercial?

DK: Um.....(reluctantly)..not as much (laughs)."

(DK)

Whereas DK rejects the idea of making something ‘because it will sell’, other more middle class participants were able to construct their art as being ‘from the soul’ whilst still considering and making sufficient of what would sell to live on. For example, FW (middle class), and RM’s (middle-class) parents, were willing to make two different strands of work, one which they knew would sell, the other more experimental. They used discourses of the difficulty of maintaining integrity (an important artworld word), which displayed knowledge of and agreement with the ideal separate-spheres, whilst earning money.

Intriguingly, whereas this offering of two types of work is discussed by Belk and Wallendorf, the pricing outcomes were different in my study. They suggest that

‘Money obtained from work that is not a source of delight is profane, while money obtained from enacting one’s passion, while often less when evaluated from a quantitative economic perspective, is nonetheless sacred. One artist we interviewed paints horses and deer, but also does reproductions on t-shirts to keep food on the table. Both the paintings and the t-shirts are offered for sale. The t-shirts are explicitly made to exchange for money, whereas the paintings, which are created as an expression of his love of nature, produce other rewards, and money is secondary.’

(Belk and Wallendorf 1990, p.52)

However, whereas the artist, echoing Morton and Podolny’s (2002) hobbyist wine producers, considers a non-economic gain (here described as “other rewards”) when pricing the paintings, and so (it is implied) chooses a lower price than he ‘could’, the small number of participants within my data those who produced two types of work (e.g. FW, mentioned above) and , and in so doing constructed their paintings as different from their commercial offering and therefore more ‘art’, were more likely to choose *higher* prices for their paintings. That is, the clear signalling of the ‘art’ status of the object being priced (the money source) appears to be used as a way of

cleaning the money. Although the base money categorisation may be the same as Belk and Wallendorf's suggestion of profane (made for sale) and sacred (achieved through creative expression and 'enacting one's passion'), the difference between my findings and theirs suggests that understandings of corollary commensurative practices will vary and therefore the pricing outcome is not predictable.

In another impact of class on pricing, middle-class participants with a greater knowledge of 'how it is done' in the artworld and other luxury markets signal 'enacting one's passion', and by implication 'not in it for the money', through the explicit consideration of the context of the sale of their art. For example these participants were willing to hire prestigious gallery spaces (e.g. GA), and during the art trail they ensured that they showed their work in a houses in wealthy areas which were large, warm, and recently decorated. They offered home-made or very middle-class refreshments such as homemade (organic) cakes or Waitrose bakery goods (a common practice).

Working class participants such as DK did not use these discourses. They were able to get some parts of the desirable Romantic discourse right (e.g. the spoken discourse that art is from the soul), but possibly because they are unfamiliar with the luxury market they got other parts wrong. For example, DK assumed a big house is better because there is room to hang big pieces of art (which to her implies higher prices), not because the house and its contents suggest that the artist already has wealth and a high status cultural group membership, and therefore that what is being displayed is Art from the soul, not art made to sell.

As well as not considering selling space and what that says about her need for money, DK did not consider what message her choice of refreshments (Tesco 'Value' mincepies) might give to her potential customers. Her use of bright red Sale stickers could, to revisit Ruston (2007), 'annoy buyers of luxury goods and might be [interpreted by them as] more appropriate to groceries'. That is, DK does not realise that sale stickers, like 99p price endings, may be seen as a commercial discourse, and therefore inappropriate for art, and may cause a reduction rather than increase in

sales, depending on the viewers. In her use of sale stickers DK's background (very little familiarity with galleries and their norms) appears to limit her understanding of possible price interpretations.

In another example of the importance of prior experience in shaping interpretive repertoire, DK's reaction to the suggestion that someone might think something more desirable simply because it was more expensive was one of scorn: "That's ridiculous!" In this she is 'getting it wrong', if wanting to be seen as being in the same group as the buyers of luxury goods. Rather than learning the interpretive repertoire of her customer base (as marketers often assume pricers wish to do), she expects the customers to use her interpretation.

The only other person who found the idea of increasing price to increase desirability alien was PP. PP had grown up in a hand-to-mouth working-class milieu, and had spent much of his early adult life "working on the bins". Like DK, PP's interpretive repertoire has been shaped by his social class, in that he has had few opportunities to gain familiarity with the 'how it is done' in luxury markets such as the art market. Although PP felt that he had learnt a great deal about art and its prices – for example, he no longer thought that a £5 mug in a gallery (handmade, more art) was equivalent to a £1 (mass-produced, less art) mug in a supermarket, and he laughed at himself for having not known that earlier, he, like DK, was unable or unwilling to consider alternative interpretations of 'how it is done' as anything other than ridiculous. This meant that they continued to categorise money from their art as non-problematic, when the local higher-status norm is that money from art should be categorised as awkward, and associated with a variety of cleaning and masking discourses.

As is the case with the other discourses, one interpretation of money is no more right or wrong than another, as meanings are not inherent properties of the discourses or objects. It is more that interpretation is deemed to be more or less appropriate within a particular context, and therefore choice of interpretation reveals social group. The interpretation is seen as right or wrong depending on who is judging, and their repertoire. The research data show that class, or social position, appears to play an



important part in the categorisation of money and awareness of the implications of that categorisation in terms of the choice of commensurative practice and discourse. That is, money-meanings and price discourses have social uses. The social uses are explored in more depth in the next section.

## CHAPTER 7 FINDINGS AND DISCUSSION: Social uses of money categorisation within discourses of price

### **Introduction**

Prior research and this research data suggests that people categorise money, and that choice of category and interpretation of the implications of the category varies from person to person (Zelizer 1994). Having examined the importance of money category by form, source, holder, and earmarking in pricing practice, I now move the focus of analysis from consumers' social uses of money categories (discussed in prior literature) to examine the social uses of money categorisation within pricing discourses, which has only been minimally addressed.

Using the example of charity money administrators and the recipients of the money, Zelizer (1994) demonstrates that interpretations of how the charity money should be used highlighted differences between groups, and signalled membership of a particular group. Using the same interpretation of the charity money and its appropriate uses (or at least not challenging them) positioned the actors as being in the same group, but using a different interpretation highlighted that they were not. The use of money-interpretation and associated price implications in creating an 'us' and 'them' occurs in many contexts. For example:

In a discussion between two friends, J said that she had had an awkward moment the previous evening. She had agreed and was happy with a teenager's baby-sitting rates, but to her surprise the teenager's parent rather than the teenager had covered the babysitting duty. The price, the money, and handing over the money, now somehow seemed inappropriate. When paying a teenager £x had seemed fine, but the idea of giving it to a peer (the parent) "felt wrong", and J had felt that she ought to offer a higher amount. The increase had been refused, but she felt she had done the right thing in offering it, although even doing that had been awkward.

Throughout the story W had sympathised with J (“mmm, mmm”). W then told a story in which she had done an evening’s babysitting on her teenager’s behalf. Although the baby’s parents had, like J, apparently felt that the agreed rate was now somehow inappropriate, the baby’s parents had assumed that no payment was needed, as it was an adult peer (W) not a teenager! W was incensed. What was unspoken but hung in the air was the connection that J had assumed more money was needed, but the baby’s parents had assumed that no payment was more appropriate.

(Field notes from an overheard discussion, slightly annotated for clarity)

Although the topic of the conversation was babysitting money and price, the function seemed to be primarily one of reinforcing friendship ties through shared interpretation of money and associated rules. Through her body language and non-verbal responses W had implied agreement with J’s interpretation that the money-exchange became awkward and the price appeared too low. She had then reinforced her agreement through her story, which was a criticism of the interpretation of others. Through the money conversation J and W created an ‘us’ (with a shared interpretive repertoire) and a ‘them’ (different interpretive repertoire). The function of the discussion, which revolved on shared understandings of money categorisations and price implications, was to reinforce the friendship between J and W, and to test and gain support for interpretive repertoires.

Although the babysitting money could be seen as a particularly domestic pricing situation, the importance of the social uses of the meaning of money does not disappear when pricing in a more ‘market’ situation. For example, the VISA machine complaint within my art trail data operated in a similarly social way, in that different interpretive repertoires were used to create an ‘us’ – those who interpret the use of the VISA machine in the way I do - and a ‘them’ – those who use a different (and wrong) interpretation.

Within the research context although there are no clear or permanent demarcation lines, communities are created and differentiated through interpretive repertoires. It seems that in exchange for membership one may have to be willing to be constrained as well as enabled by the interpretive rules of that group. There are no hard edges or constant criteria, and there are a myriad of subsets and overlaps between communities depending on who is viewing. For example, in a situation set up to sell art (the art trails), to be seen to want to sell art appears to be seen by some as having lower status and implying a lower group membership, whereas for others high sales is interpreted as a sign of success and artistic validation. In the example of the VISA machine, the practice of using electronic money was interpreted as both inappropriate and warranting exclusion (by the complainant), and as non-problematic by the user and a defendant.

As in the example of the babysitting money, analysis of discourses of price suggests that how money is categorised - and the implications one associates with that categorisation- is used to suggest group membership. Following the rules of the dominant/desired group appears to come at an economic cost for many; not following it can come at a social one, perhaps with economic repercussions. Those who are economically and socially successful are likely to be those who are able to gauge the interpretive repertoire of others, and are able to either use those repertoires or to convince the other party that one's own repertoire is preferable.

### **7.1 Money and price etiquette: how it is done around here. Getting it right, getting it wrong, and social position.**

**‘Another enthusiast need only utter two words to betray the vast amount of sharing that is possible for them both’**

(Douglas and Isherwood 1996, p.51)

#### **Introduction**

In this section I discuss the use of money categorisations and associated pricing discourses as affiliation signals, and examine the social and economic effects of getting it right and getting it wrong. That there should be pricing etiquette highlights the social element of what is generally considered an economic action.

Cultural artefacts such as images, objects and language have meanings which change with the context in which they are found and interpreted (Barthes 1972; Bourdieu 1984). The meaning may be considered to be obvious or ‘natural’, but should instead be considered to be falsely obvious and a product of history rather than nature (Barthes 1972, p.12), in that the meaning and its degree of correctness is socially constructed rather than an inherent property. Consider for example Duchamp’s urinal (known as ‘Fountain’) and the Objets Trouves movement, in which something ‘becomes’ art because the artist says it is so, and signals it as such by putting it on a plinth in a gallery (a ritual of category change working within an existing system of meanings).

Although Duchamp may have signalled that the urinal should be categorised as ‘art’, object meanings may be overlaid with the meanings from the previous context, as viewers of this particular art object may have experienced. The overlaying of past meanings of consumption objects has been a topic of interest within Marketing research, and is discussed in Hebdige’s (1988) work on Vespa motor scooters, and

work on inalienable goods (Arnould and Epp 2006; Epp and Price 2010) and singularised objects (Kopytoff 1986).

Zelizer's (1994) work suggests that money is a cultural artefact rather than a neutral object, and that it too can have meanings which can be (but are not necessarily) transferred from one context to another. The important point that emerges from my research is that pricing and the act of earning money through pricing has meanings for those involved in the process, and that these meanings may have social uses. Just as choosing to construe the urinal as art aligns one with a different camp to those who object to attempts at re-categorisation, so choosing to construe money earned from art as a particular category of money can be interpreted as a signal of membership of one group rather than another.

Within a pricing discourse using the 'right' two words and implying a particular interpretation of those words can suggest 'the vast amount of sharing that is possible' – that is, the 'right' discourses suggest shared social group. Using the wrong two words and/or interpretation could have the opposite effect. Choice of discourse can therefore be said to perhaps involve a strategic social element, and it is important to recognise that people may have multiple and even contradictory incentives and interpretive repertoires underpinning their discourses of price.

In the same way that the art objects are placed within a hierarchy of legitimacies, discourses of art pricing appear to involve a process of legitimation which is controlled by the intelligentsia and the rich bourgeois. What meanings a participant uses implies knowledge of and preference for one source of legitimation over another. That is, money-meanings inform not just one's pricing practice and discourse, but the use of particular meanings also tells others something about your cultural capital and how you see yourself. As can be seen in the example below, whether one intends this or not, discourses of price are used in social positioning.

DW: You must talk to X – she's very different, very clear about her prices.

FW: But she's got a totally different approach to us.

DW: You must talk to her! You know, she paints to sell, She....

FW: I can't paint something because it will sell!

DW: Selling your soul

They both grimace,

(DW, FW, field notes)

Here DW and FW position themselves as a united front, sharing an interpretive repertoire in which one “can’t paint something because it will sell”, and X is “very different” because of her different and ‘wrong’ way of approaching art and the market. In distancing themselves from X, DW and FW are using discourses of price as a social tool, a source of distinction and therefore a source of power. X is constructed as having ‘got it wrong’, the implication being that she does not know the correct etiquette, rather than that she is choosing a higher status alternative discourse.

Shared ideas of appropriate etiquette are important signals of group membership, and these are taught and learnt. Zelizer gives many examples of sources of money etiquette such as magazine articles, advertisements from approved stores, and people who hold higher social position. Similar types of source are available within the research context. For example lecturers, institutions, promotional materials, and the example of higher-status peers were often cited as sources of ‘how to’, and these exemplars were sometimes visible within the data collection period. For example, a lecturer explained that when an artist had recently approached her for funding a lecturer using a new electronic route for touting for funding (called wefund.org), “It didn’t feel inappropriate” for the artist to have contacted her in that particular way. She then qualified this interpretation by explaining prior contact and relationship between that artist and herself. Money and pricing etiquette appears to be learnt by getting it wrong and realising that one has done so, as well as from exposure to (and recognition of) examples of how to get it right.

***“Two words to suggest the vast amount of sharing”***

As discussed earlier, there are modes of expression which are understood as signalling group membership through interpretive repertoire. Although there are words within the data such as ‘mark-making’ or ‘visceral’ which, depending on how they are used, demonstrate a particular knowledge of current vocabulary and values within the artworld, here I focus on the positioning uses of two words or phrases which are particularly pertinent to pricing: ‘commercial’, and ‘good home’.

***Commercial***

The use of ‘commercial’ as shorthand for ‘getting it wrong’ was repeated by many participants throughout the data collection period. However, it was also (if rarely) used as a term of approbation in situations in which the user felt that it could safely be used in that way. What is interesting is that in a market situation (pricing in an art trail) ‘commercial’ could be seen as ‘getting it wrong’, and that the interpretation of ‘commercial’ appears to be used as a social positioning device.

As demonstrated in Parks’ newspaper article previously cited, the idea that an artist should be scorned rather than celebrated for their commercial success is contested by an alternative hierarchy in which success in money-making is construed as a source of kudos:

‘[A conference delegate suggested that] we shouldn't be gloomy about the dominance of big money in the art market, since it meant that, unlike the Van Goghs of the past, contemporary artists such as Hirst, or Jeff Koons, could get their just desserts and appear as the winners they were, something that could only be an inspiration to artists all over the world.’

(Parks 2011)

Here two artists who are derided by many critics for being rampantly commercial and only interested in making art to make money are instead constructed as ‘winners’.



Although one might expect ‘commercial’ to be a positive term in a pricing context, this was not necessarily the case. As a critical term - the more common usage within the research data – describing someone’s work as commercial placed the speaker as culturally above the maker. Again there appeared to be an expectation of shared interpretation of the term; that is, when used in an interview or conversation with me the speaker expected me to recognise that they meant it as a criticism, not approbation: the art object involved does not fulfil the Romantic ideal of being the result of ‘months, sometimes years, [of] distilling on to canvas the emotions of a particular experience’ (Storey 2011), and the money earned from a commercial practice is tainted and tainting. The effect is circular: the art is tainted because it sells, and it sells because it is lesser (i.e. easy) art. The money from people who like lesser art is tainted money, and so the art is tainted....

Participants’ use of ‘commercial in a critical way signalled particular group membership (the intelligentsia), and that the ‘vast amount of sharing’ (Douglas and Isherwood 1996, p.51) which could follow between parties would ideally work within the intelligentsia repertoire, although there might be some testing for acceptability of alternative discourses.

As a term of approbation, which occurred occasionally in conversation between two makers, ‘commercial’ signalled that the speaker recognised the work as more craft, and likely to be economically successful within that realm. It therefore signalled that the speaker was perhaps a craft artist themselves (same-group membership, perhaps with market expertise), and/or that they assumed that the object’s maker would be pleased with the term (shared interpretive repertoire).

For example, when talking about her own art work JRC was very ambivalent about the market and critical of the involvement of money in art-making, but after the interview she told me very proudly about her artist son’s commercial acumen and success, and how, from his student days, he had purposefully marketed himself and his art work as a brand. Whereas other participants in the research had excluded ‘the other’ because of what they saw as undesirable commercial behaviour, maternal love

and pride in her son appeared to make JRC more willing to consider the commercial repertoire as desirable, despite her deep reservations about the involvement of money in art.

What then might be considered commercial? It is not only the objects which were termed commercial, it was also the whole approach, the discourses of selling, which could be categorised in this way.

From my discussions with represented artists, the conversations they have with gallery owners is less about nurturing and more about supplying the gallery with what the owner thinks they can sell, which is a commercial discourse. However, based on Velthuis' findings and my own experience of interactions with gallery owners, when gallery owners talk to people other than their artists they appear to use a different, anti-commerce, discourse. That is, the 'how it is done' varies with context. What is considered an appropriate discourse with an artist is inappropriate when talking with a gallery visitor.

From Velthuis' (2005) research with gallery owners in New York and Amsterdam, to talk about buying a piece in order to sell it for a profit ("turning the piece") is understood to be commercial and inappropriate. The gallery owners explicitly said that they did not sell to people who talked in that way, implying that the gallery was not being run as a commercial concern in which pictures were taken on and sold to make a profit. Instead, the gallery owners emphasised discourses of nurturing, and supported their non-commercial spoken discourses by removing money transactions and conversations to another room or space apart from the art. These apparently ideal gallery discourses are understood to adequately and correctly mask the commercial, money-making, aspects of running a gallery, which necessarily involves selling art. This suggests that in this context it is not commerce per se which is bad: commerce constructed 'correctly' as by-product is acceptable, commerce as overt intent is not.

### *Good home/gets it*

Within the research data few participants had room to create a separate money-handling area, but amongst art participants other discourses were used to mask the commercial aspect of the transaction, such as the widespread practice of using ‘good home’ discourses. Selling to ‘a good home’ is constructed as a non-commercial discourse, and one which cleans the money. ‘Good home’ is conferred by showing expertise (e.g. by discussing what art one already owns and what exhibitions one has recently been to, and therefore how one is contextualising one’s judgment of the piece in question), or by emphasising emotional connection with the piece.

Buyers who knew this as a desirable discourse often constructed themselves as ‘good homes’, and/or were sometimes constructed by the artist as such. For example, an artist who had been coerced (the buyer’s wife felt) into giving a significant price reduction later told others that she was pleased that that buyer had bought the piece, as she was pleased that her work was to be part of his collection. The buyer, like Thornton’s (2008) would-be buyer, had constructed himself as a good home through mention of his art collection, and, as was frequently observed within this research data, used the shared interpretation of it as signalling high positioning to negotiate a discount.

In another example of the buyer using the ‘good home’ construct for their own benefit, an artist told me about her experience with a trail visitor:

“Last year a lady came in, she was very keen, the first at the door. She was on the doormat at 10 o’clock in the morning, on the Saturday, and she came in and went (mimics the lady pointing to different pictures on the walls) ‘That. And that’. (Pause, reviewing what she’d just said.....)

Actually, she was here for ages, talking about the work, how was made, and how much she liked it. The two she chose she’d already seen, on the website.

[Note, here the artist is re-framing the impression she might have just given of the buyer, by re-constructing the buyer's 'good home' indicators. However:]

"She wanted two [pictures], and said "What discount can you give me if I buy two?" I was really taken aback, I was caught on the hop, you know, it was the first day, and I didn't know what to say! So I found myself saying "I'll give you 10% off"!!! (unhappy laugh, remembering her discomfort and outrage). At £220 a picture that was £40, more than 40! And if you take the cost of framing and whatnot off, and then £40, there's not a lot..... She was being really cheeky! I don't know why I didn't just say "That's the price they are. That's a reasonable price." But I didn't. I gave her 10% off! And do you know, when she was writing out the cheque she said to me "Oh, I would have paid the full price, I really love them"!!! She was really cheeky. I was really cross about it afterwards.

(MJ)

In Thornton and Velthuis' work price reductions were rarely mentioned, possibly because in those studies the gallery owners are emphasising their own higher status to the researcher, rather than because reductions for 'good home' buyers do not occur.

Within the research, 'good home' discourses were frequently used at the time of confirming amounts and handing over payments, and reminded me of the common retail practice of handing the goods over in a satisfying container (such as an expensive-looking carrier bag) to reassure the customer at the point of sale and immediately afterwards. However, rather than reassuring the buyer, within the art trails the 'good home' discourse seemed to be used to reassure the seller that they had made the right decision in selling their "baby" (as a few participants called their work) to that buyer. This discourse appears to be understood as appropriate for art, and as performing the function of masking the commercial element and changing the money category from tainted to clean.

A number of participants told me about sales by telling me that they were particularly pleased that a particular person had bought it. By emphasising the emotional connection with the piece, the 'good home' discourse suggested cultural similarity of the parties. As shown in the example above, emphasising the buyer's expertise 'good home' can become a signal of recognised higher status of the buyer. The artist's construction of the buyer as a good home may be thought to socially (and perhaps later financially) benefit the artist (status by association), as well as immediately financially benefit the buyer, and reaffirm their higher status.

Importantly, correct use of the 'good home' discourse requires a particular knowledge of 'the right way' to do it, which was not shared by all participants. Nor is 'good home' thought to be appropriate in all exchanges. For example, 'good home' appears to be seen as an important anti-commercial discourse for 'art', but as inappropriate or less common for 'craft'. It also seems to be a very middle class discourse. For example, working-class DK said that she does not care who buys her work, thereby positioning herself in the 'not like us' category.

An important variation on the 'good home' discourse is 'gets it'. 'Gets it' appears to be a form of 'good home', used primarily by those who espouse the intelligentsia interpretive repertoires and priorities. Whilst its meaning and range is rather nebulous, its function is clear. 'Gets it' is used within the research data as a particular group-membership signal, implying recognition of the importance of concept and viscosity in art (which require a particular cultural capital). This type of art-appreciation is constructed as being very different from appreciating the technical skill or beauty of a piece, which is constructed by the intelligentsia group as a more 'Clifton Ladies' discourse.

If a potential buyer uses what the artist or seller construes as the wrong discourse, then the sale may be denied (as Velthuis' gallery owners described). In a more extreme version, as in the case of DS, rather than the piece being retained for sale to another buyer later on (which is what the gallery owners would be doing), the piece was given away to someone who DS constructed as belonging to the 'gets it' group.

In this way, DS was able to keep the art ‘in the realm of the sacred’ (Belk and Wallendorf 1990, p.60). Either way – sale denied and/or piece given away - there is a loss of the income which would have been gained had the sale gone ahead. DS is a political agitator with traditional bourgeois cultural capital (from her upbringing) and the intelligentsia cultural capital (from her tertiary education and on-going deep involvement with that group). Given the anti-bourgeois message of the intelligentsia anti-market discourse - and its desirability within certain circles in the city and wider artworld - it should perhaps not be surprising that despite her relative lack of economic capital, for DS economic gain appears to be substantially less important than maintaining desired group membership and kudos. After the incident with the ‘crass’ buyer, DS decided to reject the market altogether, and concentrate on making and exhibiting price-less installation pieces (high kudos within the group).

### **Good home / ‘gets it’ and Craft**

Although ‘good home’ and ‘gets it’ seem to be important discourses when making an art transaction, it appeared that neither phrase were seen as necessary or appropriate masking for the pricing and sale of craft objects. For example, consider BD, a craft participant who earns her living from her work, primarily from business-client commission. When taking part in the art trail she wanted to do something to ensure money transactions were not too bare, perhaps particularly as a novice exhibiting with her was finding the money-handling very awkward. Rather than using a ‘good home’ discourse to soften or mask transactions, which was a common practice in Art transactions but very rare in craft transactions, BD’s solution was more business-based and “professional”, and did not involve giving any discounts. As she said, in what I understood to be a description but also an instruction to the novice, “you’re giving out receipts”, but you are also balancing that with a recognition that for some trail visitors it may be more a social than purchasing occasion:

..You want to be professional, you want to come across as not being flaky,  
so you know, you’re giving out receipts..., you don’t want people to.. be...,

you know, you don't want to be...*standoffish*, and *just* to be sort of a business transaction...it's a lovely thing just to come and see you, you know, and so you've got *that*...dynamic.

(BD)

In terms of signalling group membership it seems important that BD is not worried about it being a business transaction (which is masked by art pricers using high-status discourses), and (unlike art pricers) she did not mention particular buyers and their status/group membership. However, as she felt was appropriate for an art trail - if not art transaction - she did not want it to be 'just' a business transaction.

In using receipts and wishing to be seen as 'professional' BD is demonstrating an understanding of what she sees as the correct way to talk about money and price in a craft transaction. Rather than (inappropriately) using an art discourse, BD positions herself as an expert within the craft social hierarchy, using a craft-appropriate discourse:

"you know, I've done... [this type of work] professionally, and I've been paid for my [work], and I've been commissioned to do [that work], so, ... you know, and I've made my living through [that type of work]..."

(BD, 70)

Her status is constructed through a non-problematic interpretation of commerce and money, and, because of her commercial success in the field, i.e. validation by clients, her discourse is constructed as a correct interpretation for her type of object.

In contrast to BD's discourse above, from the years of observation in the field an artist wanting to position themselves as an expert within the art hierarchy would be unlikely to talk about the money they have made, although third parties might do so by using the term 'practicing artist' to describe them. Instead, in order to position themselves as an expert an artist is more likely to talk about where they've exhibited (which may include references to commercial galleries), with whom (peer group),

and who owns their work (validation). Rather than say they've been commercially successful, they might imply it even whilst rejecting that as an undesirable discourse, as one participant did: "Oh, I don't know about things like that, you'll have to ask my agent".

### ***Legitimation***

'Right' and 'wrong' are cultural constructions, so theoretically open to negotiation. However, within any one context there are some interpretive rules which are so widespread that to not know them, or to use them incorrectly, is widely understood as getting it wrong. This is because dominant interpretations are sanctioned by historical precedent and those in a position of power (Barthes 1972).

As a guest speaker said in her university lecture titled 'Unprofessional Practice', instances of 'getting it wrong' discourses are very useful, in that it is easier to point out how not to do it than to explicitly say what is the right way. I suggest that 'getting it right' may involve the 'correct' agreement re what constitutes 'getting it wrong'. Interpretations of right and wrong are legitimised by construction of the source (such as the guest speaker) as an expert.

In the research context, as seems likely within any pricing context, there is a range of competing interpretations of right and wrong ways to do pricing. Although the Romantic myth of the ideal separation of art and commerce is very strong, there are other construals. What is important is who is legitimising the alternative construal, and whether they are construed as a legitimate legitimator. For example, in an article in *The Guardian* newspaper it is implied that art professionals and money-market professionals have differing opinions re art prices, money, and the art market. At a conference in which attendees included 'the governor of the Bank of England, the chairman of Lloyds TSB and similarly important figures from the ECB, the Federal Reserve and the Swiss National Bank, not to mention 70 or so hedge-fund managers, entrepreneurs, policymakers, academics, curators, art dealers, artists and collectors' it was suggested that:



**‘we shouldn't be gloomy about the dominance of big money in the art market,** since it meant that, unlike the Van Goghs of the past, contemporary artists such as Hirst, or Jeff Koons, could get their just desserts and appear as the winners they were, something that could only be an inspiration to artists all over the world.

**A fantastically heated argument ensued.**

(...)

Another [conference attendee] remarked that when the public knows a Koons has fetched \$1m or more, it clouds their experience of the work. They can't see it clearly any more. Maybe Hirst's rise to stardom was more the consequence of excellent Saatchi marketing than a school for excellence.

Hirst's champion was hearing nothing of it. **Did an artist have to be poverty-stricken before we could enjoy their work?** In the long run, someone insisted, the money price was always a fair reflection of an artist's achievement.

So, I thought, while the 15th-century banker turned to art because it represented a value that couldn't be expressed in money terms, **now the artist himself was to be admired for creating a work collectors could purchase as a sound financial investment. Money ruled.**

(...)

**In the end it was a highly respected gallery dealer who sorted us out (...)** as far as art in general was concerned, experience told him that **the reasons artists made it and collectors bought it were unspeakably various, and mostly had nothing to do with money at all.'**

(Parks 2011, added emphases)

The implication is that we do feel 'gloomy' about big money and its involvement in the art market. As far as the writer (Tim Parks, author, translator and essayist) is concerned, it seems that 'money ruled' is a sadder, not better position. This view is

supported by the ‘highly respected gallery dealer’ Parks cites, who said that art ‘mostly had nothing to do money at all’. But this view was not universally shared, hence the ‘heated argument’. In the high status artworld view, art and money should be kept separate as it ‘clouds’ the ‘general public’s’ perception of art. This is an elevating discourse, as it implies that the speaker and company are above the general public, and it also perhaps suggests that the artworld elite are higher than the pro-money attendees. As Bourdieu (1984) and Zelizer (1994) pointed out the interpretations of legitimators exist within the hierarchy of construals of the field, and society in general, and are used to create distinction between the groups.

As prior price research by Velthuis (2005) and Morton and Podolny (2002) suggested, ideas of the right and wrong way to interpret and perform money-acquisition and spending are group indicators. In British society having money/financial success is generally admired, as long as it is handled in the right way (Fox 2004). The artworld exists within wider society, and there is overlap between the upper classes’ view of the ideal treatment of financial success in general, and the ‘ideal’ treatment of seeking financial success in art. Although the construal of money and markets as contaminated and contaminating is particularly visible in an artworld context, interpretations of what is an ideal treatment are contestable and contested.

As in Park’s article in *The Guardian* (above), the jostling is for the right to determine legitimacy. It is a jostle for authority, for social power and position which depends on expert judgement, and this occurs within the existing hierarchy and its system of rules and interpretations. Categorisation and interpretation are part of the group membership and social sifting function of money and price discourses – they are part of “the way you guys like to sort people out”, as one participant put it. Whilst the artworld and banking elite debate the ideal relationship between art and money, there is similar jostling and group-signalling happening at a local level.

### 7.1.1 Moral dimension

Although one might assume that what is considered to be right or wrong in a pricing discourse would be determined by economic logic and commercial rationale, this would be to assume a very narrow range of heuristics. Instead, within the data as already discussed there appears to be a variety of discourses of price and a variety of interpretations of their degree of aptness. In some cases there appears to be a predominantly moral (rather than economic) dimension in the categorisation of right and wrong ways to do pricing, as suggested by Kopytoff (1986, p.64) and discussed by Venkatesh (2006, p.155).

The moral dimension of art pricing is founded in the Romantic ideal of the separation of art and commerce, in which art is constructed as a ‘holy’ or sacred object (Abbing 2002) through its denial of the market. Within the data the idea of making art for money was frequently constructed as morally wrong, as well as indicative of a lack of high status cultural capital.

The moral dimension does not appear to be restricted to art pricing. For example, Bourdieu (2000) and Douglas (1982) discussed the distaste with which the encroaching ‘modern economy’ and those who make the best of it were viewed by traditional Kabyle society and the Lele. Examining a more contemporary context, Zelizer (1994) discusses the moral objections to pricing the priceless child, or putting a monetary value on the environment (see also Hornborg 1999).

Moral aspects were also visible in my pilot study of pricing discourses in other fields. For example, a carpenter and a plumber both told me that when they are doing contract work (when they are paid a pre-arranged daily rate as a sub-contractor), they charged £x per hour for any unrelated ad hoc evening work. However, they knew others who charged *double* that hourly rate, even when they had already earned a full day’s wage “doing contract”. There seemed to be a moral dimension to my informants’ pricing decisions and their criticism of ‘the other’, in that economic

maximisation is understood as greed (“They already had a day’s wage!”), rather than an assumption that economic maximisation is good.

This moral dimension was repeated by the owner of a firm of electricians: Alan had been advised by his father, who was a business consultant, to give an overall price, and to price as high as he could, but Alan was not happy with this, preferring instead to use detailed “transparent” cost-plus approach that felt “more honest”. Alan recognised that he might make less money that way (because his prices were lower), but he felt better about it, and clients told him that they appreciated the transparency. His dislike of “opaque” high pricing, which he saw as sharp business practices, stemmed from his years working as a pricing analyst within a major FMCG company in an industry he had come to despise. Being seen to be “not like that” was as important to him as making the biggest possible profit, as the biggest profit would, for him, be a type of dirty money. As with the carpenter and plumber, there appears to be a differentiation of monies earned, which affects their pricing decisions and is used in their signalling of group membership. That is, through their discourses of price they are signalling “I’m not like them, I’m like this, and therefore above them”.

In another example, a senior business consultant told me that he charged less to do work with the National Health Service than he would for other clients because he felt that charging a high fee would be taking money which could be better used internally by the NHS for the greater good. That is, choosing a high price would change the category from good or sacred money (earmarked for making people well) to tainted money.

Although one might think that the lack of business logic amongst artists is due to lack of knowledge of those heuristics, from these examples it appears that even amongst those such as the electrical company owner and the business consultant above, who have had a great deal of mainstream business training and therefore might be expected to use economic logic, the social effect of using a particular categorisation may be an important consideration. Even within a pricing context,

distancing oneself from avaricious and individualistic behaviour may be understood as a more ‘correct’ or desirable discourse.

### **7.1.2 The jostle for authority**

In a reflection of the on-going debate higher up the artworld hierarchy (e.g. Hatton and Walker 2003; Game 2011; Parks 2011) within the research context there is more than one version of the ‘right’ way to treat the relationship between the art and commercial spheres. Pricers influence each other, and are influenced by what are perceived to be sources of authority within the media, local art establishments, and by trail visitors/customers. However, source status is constructed, and therefore subject to a degree of contention. The discourses they use may be seen as an example of ‘how it is done’ depending on how one views the legitimacy and authority of the source.

How one is constructed or constructs oneself as a source of expertise varies with which group one belongs to. For example an art critic in a major newspaper or media company, or a university lecturer has authority conferred by their position and peers. They may bolster their expertise with references to higher authority, and who they choose will vary. For example, art journalist Parks (2011) referred to the art buyers and religious texts of 15<sup>th</sup> Century Florence; a Fine Art lecturer referred to Adorno and Tate Modern, and rejected the ‘other’ (both the corrupt stock market fat cats with their taste for art that signals ‘I’ve got money’ rather than ‘I understand art’, and the easy-art preferring bourgeois). In contrast, an Illustration tutor referred to feedback from publishing clients, implying that the client (source of money) should be considered an expert.

Many of the participants referred to lecturers and tutors as sources of expertise, despite the fact that very few of the art tutors and lecturers are engaged in pricing and selling their work, as they have an alternative source of income. Some participants (such as RM) constructed themselves as an expert within a certain group

through use of use particular art-historical conventions, assumptions and modes of expression, and a rejection of ‘other’.

The rejection of ‘the other’ and what the other considers to be expertise appears to be an important part of the construction of one’s own expertise, as the excerpt below illustrates:

‘Of course, we don’t have to read [the explanatory] labels [on pictures] – often peppered with that arcane meta-language so beloved of artists.’

(Richard Story, Managing Editor of RWA Magazine, Winter 2011)

Here a senior member of staff (the managing editor) from the magazine of the major traditional or bourgeois arts venue in the city (as opposed to the other major arts venue, which focusses on the promotion of conceptual contemporary work) publicly rejects an important group-signalling convention of the intelligentsia group: the ‘arcane meta-language’.

Rather than using such ‘arcane’ language, bourgeois ‘how to price’ art/art-market-expertise is constructed through signals of artworld knowledge (e.g. of current exhibitions and artists) and use of a taken-for-granted familiarity with mainstream high-status how-it-is-done. That is, they, like the intelligentsia, use particular (but different) art-historical conventions, assumptions and modes of expression.

However, unlike the intelligentsia, bourgeois participants mask rather than reject market considerations, and so are able to earn money through sales of their work, rather than through funding and grants.

Within the data the craft expert, in contrast to the intelligentsia and bourgeois expert, is constructed or constructs themselves primarily through stories of commercial success, or through wider recognition. This validation of status could be having their work on the cover of a prestigious journal such as *Ceramics Review*, or inclusion in prestigious exhibitions such as Jerwood Makers Open, which is ‘part of the Jerwood Visual Arts, a contemporary gallery programme of awards, exhibitions and events’.

For pricers, the experts they have access to, whether they interpret them as valid experts, and whether and what they learn from those experts is affected by what group they already are, and wish to be, part of. Learnt discourses, which are shaped by categorisation of the object, money from the object, and relationships with the market, affect pricing practice.

As discussed in the Literature Review, ‘Cultural value is not just an economic act but instead part of an intense social process of valorization and legitimization.

Art/culture is socially consumed and socially aware. Economic value is determined by intangible (and ephemeral) social value formed from and within specific contexts by particular people, the ‘scene’, so to speak’ (Currid 2007). Each of the main parties – the intelligentsia, the bourgeoisie, the craft artists, construct themselves as ‘the scene’, and therefore a source of categorisation ‘how it is done’ expertise.

Within the research data, the most vigorous defenders of the ideal separate-spheres artworld discourses of the field were lecturers (who therefore had an alternative source of income), especially the Fine Art lecturers, and participants with relatively low economic capital who knew and used the artworld intelligentsia “I, like Adorno, like my art to be difficult” discourse in which money is dirty, and concept is king. The discourses of this small but influential group separated and, they felt, elevated them from ‘others’, and their discourses included sniping criticisms of the artistic and pricing practices of others. They were particularly critical of the practices of the local affluent artists, who were disparagingly termed ‘Clifton Ladies’, after the wealthiest and historically genteel section of the city. In contrast, the Clifton Ladies - affluent cultured middle-class participants, who are mostly, but not necessarily female – were less likely to adopt the ‘difficult art’ discourse, rarely mentioned the artistic or pricing of other participants when interviewed, and rarely criticised someone for being commercial.

For the Clifton Ladies there appears to be nothing wrong with painting something they term ‘traditional’, which might be seen as sell-able – after all, no-one could think *they* need the money, or that they lack cultural capital. Instead, they

acknowledge the importance of the conceptual within the artworld in general, but reject ‘conceptual’ as the sole or primary indicator of Art. Their discourses of art and price were a demonstration of taken-for-granted familiarity with artworld rules and gallery practices, and their discourses often included a knowing distancing from commercial practices, a sort of tongue-in cheek ‘Look, I know how to play the game’. For example, when I asked PR about his previous work in the head office of a large retail organisation, and whether he’d had much to do with pricing there, he said

“No, *no*” (pushing away with his hands in one direction, leaning away from them, creating a big distance, face in exaggerated expression of distaste),

**“We didn’t descend to those murky depths!”** (smiles)”

(PR. Field notes, slightly edited for clarity. His emphasis.)

PR knows the focus of my research, and knows that I used to work in the buying department of a similar large retail organisation, so “murky depths” functioned as a socially-joining leg-pull (of my leg *and* of his) as well as a statement of knowledge of the ideal anti-commerce artworld discourse. Although he was in the middle of working out prices for the next day’s art trail when I began the conversation, by talking of “murky depths” he is perhaps disingenuously constructing himself as a pricing amateur who is normally above such practices. By doing so he constructed himself as being familiar with artworld discourses: he knows that discourses of separation are necessary, and he is able to perform that separation. That is, he was using an ideal artworld discourse in which he was saying two things at once. Through my collusion with the meaning of the discourse, this enabled him to price art in acceptable way, without loss of status.

What the cultured affluent participants such as PR share is knowledge of an artworld etiquette which allows them to price and sell their art work. Rather like the “highly respected gallery dealer” in Park’s conference article (2011, see quotation above), the participants use the discourse that making art has nothing to do with money, whilst making money from selling art. That is, they share a construal that particular



discursive practices effect money category change, and signal social status/group membership. Whereas Duchamp put a urinal (functional object) on a plinth (ritual of category change) to change its category to art (new object category), this group of art trail participants used a shared interpretation that dirty money (ideal interpretation of market money) is changed into clean money by certain discursive practices which are seen by others like them to work in that way. For example, in conversation with me PR spoke of pricing as “murky depths” (ritual), which meant that he could then acceptably perform pricing. ‘Good home’ discourses work in a similar way, signalling a particular understanding of the way it is done which enables a market practice whilst masking it.

Velthuis’ (2005) research suggested that the gallery owners shared a particular set of rituals and interpretations of the rituals, but within my research data one can see alternatives being used. The differences signal (intentionally or unintentionally) which group the speaker is in, or wishes to be seen to be in. For example, the Clifton Ladies and their sell-able work were sneered at by those who are constructing a parallel hierarchy of the field in which conceptual anti-market work is the apogee of what art should be. However, the Clifton Ladies do not judge themselves using the conceptual hierarchy. Although one part of the local artworld may feel that the Clifton Ladies are ‘getting it wrong’, in the wider society in which the bourgeois are the dominant class, they are getting it right’. Because they are the dominant class, they are able to sustain that interpretation, and they continue to make work, sell it, and accrue economic and social capital.

Authority in pricing ‘how it is done’ requires believers. That is, as with other areas of etiquette, authority is co-created not intrinsic, but can be very powerful. As a critic of Thornton’s book *Seven Days in the Art World* pointed out, ‘she [Thornton]’s without a vision of how things could be different. Like the art world itself, she assumes only a loser would challenge the system.’

(<http://www.guardian.co.uk/books/2008/oct/18/art1>).

However, there are people who do contest the status quo.

In a local echo of the conference attended by Parks (2011) in which art professionals and money professionals debated the role of money in art, within the research context art professionals such as the tutors who taught that saleability was a dirty word, and the lecturer with her rejection of ‘easy’ art and ‘immoral’ stock-market money, are jostling for artworld authority against those with wealth, and against alternative construals of the hierarchy. That is, although money significantly shapes the art market as Hatton and Walker point out in their Marxist critique (Hatton and Walker 2003), alternative hierarchical structures exist if one acknowledges them, and may be seen as more desirable.

### **7.1.3 Apprenticeships: Pricing as learnt practice**

It is tempting to think that those doing pricing will have the same range of paradigms as oneself, or to assume that they will be particularly adept in maximising economic return (as assumed in Poundstone 2010). However, in much the same way that consumer research suggests that consumption behaviours are socially embedded and complex, this research suggests that pricing behaviours are also embedded and complex. Pricing practice and interpretation is, like the interpretation of other socio-economic practices, shaped by a ‘long series of often infinitesimal experiences’ (, see also Horwitz 1992, p.198; Bourdieu 2000, p.23), and therefore depends on environment, access, and one’s prior interpretive repertoire.

Given the negotiation of meaning within a normal conversation, and the tension between two conflicting value systems – capitalism and Romanticism - within this particular context, it is perhaps not surprising that there are instances where respondents appear to use contradictory interpretative frameworks. As Thompson points out, ‘Cultural knowledge is by no means a monolithic and internally consistent system. Rather, it is a heterogeneous network that offers a multitude of interpretive positions and endless opportunities for context-specific combination, juxtapositions, and personalised transformations of established cultural meanings.’ (Thompson 1997, p.441)

From the data one can see a range of sources of expertise from specific individuals to the wider artworld and social world in which the participants are embedded. Many participants have access to more than one source of expertise or opinion, and may be aware of alternative, sometimes conflicting, interpretive repertoires. For example, PJ's understanding of the success criteria for high status within her media is based on three alternative sources of interpretations of relationship to the market:

a) conversations with her husband, who is an art academic, b) her years of working within her artistic discipline, during which she has seen many types of work, talked to their makers, and seen how they are responded to by exhibition visitors c) her experience of being unsuccessful in her recent applications to take part in what she sees as high-status shows and selling opportunities. Her analysis of the work that *was* accepted for these shows supported the interpretive repertoire of a) and her experience at b).

This data suggests that discourses of money and price, the rules surrounding them, and their social uses, are learnt and therefore vary. Interpretation, as in the example that prices ending in 99p or 95p signal 'grocery' rather than 'art' (Ruston 2007), are taught, they are not nature. Importantly, as discussed in the previous section, there is more than one 'right' way to do it. Pricing need not be understood as requiring the logic of war (Bourdieu 2000, p.20) or as involving a spirit of calculation that requires the apostasy of previously held beliefs.

For example, PJ had been taught by her husband (art academic) how 'Art' kudos is achieved, including the rule that where you show matters: her husband has told her "you don't want to be seen... doing little craftwork shows anymore" ( PJ). In contrast, two jewellers PJ constructs as experts (thirty years in the business, on the cover of prestigious journals) told PJ that they don't care where their work goes, which galleries stock it, as long as it sells. "She was saying "I don't know what [they're like]...most of the places I sell. Never seen them, don't know anything about [them]"'....(PJ 655)

PJ told me that these jewellers have achieved peer recognition for excellence (evidenced through the magazine covers) although they use a very different logic to her husband's. He is concerned about artistic reputation and being seen in the right places, whereas in the conversation reported above the successful jewellers (a source of authority legitimised through peer recognition) are commercially orientated. However, jewellery, however beautifully made, is more likely to be construed as craft than art, hence the acceptability of a commercial discourse. It should also be borne in mind that the conversation with PJ may have been context-specific. The jewellers might have chosen to use a different discourse had they been talking to someone to whom they wanted to demonstrate 'art' credentials, in which case an interest in sales might have been masked. What is a more 'correct' pricing discourse depends on context.

It is a social construction, not nature, that art pricing 'should' be different to the pricing of groceries, although it may be taken as an obvious truth (Ruston 2007). Knowing that art pricing should be different, and in what way, depends on having had the opportunities to learn these ideas, and who one learns from. For example, the sympathetic literature accompanying a university exhibition of Bob Cobbing's 'use of the book as a medium for visual poetry' explained,

'Cobbing resisted the notion that his books were "artists' books", which might seem strange; but his policy was (...) "enabling most people who wanted to buy poetry not to be drastically out of pocket." To that end, he often published at below cost price.'

(Literature accompanying exhibition)

The mention of pricing is very unusual in the university context (high status source), and it is perhaps significant that in this rare example the message or construction of the artist is that he was clearly 'not in it for the money' (he "published at below cost price") but for emotional and aesthetic connection with others. Price is mentioned in order to illustrate the artist's separation of the spheres, which is legitimated by the

implicit approval of what is understood by most research participants as a high status context.

Whilst it is tempting to assume that all art pricers know and use a range of discourses that separate the spheres, or perhaps that all pricers will be economically driven, in this research it is possible to see a range of pricing discourse. As one might expect following Zelizer's research in which money is treated very differently depending on sociological factors, ways of interpreting money and pricing within this research context appear to vary with desired and actual social group, as well as opportunities to learn and who one chooses to learn from.

#### **7.1.4 Sources of expertise, and access**

Learning interpretations of right and wrong ways to do pricing depends on learning opportunities and construals of legitimate sources of authority. That is, social conditions give rise to different modes of constructing 'how it is done' and reality, and there will be socio-cultural and historical variability. Knowing a range of possible discourses and interpretations allows flexibility, and increases one's ability to convince others that one's interpretation is valid and high status.

For example, participant RM had told me:

"Friends from abroad think we Brits are hilarious because we don't like to talk about money".

Many months later during a lecture the visiting lecturer - who holds a senior position in the art space used by participant RM (above) - told a group of students :

"Friends from abroad think we Brits are hilarious because we don't like to talk about money, but I like to look at how this funding works."

It is not clear where the "we Brits are hilarious" phrase initially came from, but it is interesting that these discourses should be so similar. The second speaker holds high status within the local art world due to her job, in which she has contact with many local and international artists, and with one strand of the local university arts faculty,

and she is highly visible to those connected with the art space. The first speaker could also be said to hold high status, but less visibly, and in the view of fewer local artworld participants. That is, her status is not conferred by her job title, and few or no art students or art faculty would know of her. Instead she constructs her status through discussions of her family's high status in the field, and her resultant depth of knowledge of artworld discourses: she knows 'how it is done'. It is possible that the 'we Brits are hilarious' is a common discourse amongst those working in that particular art space, and it is important that it is used and taught by those with high status and many contacts within it. It is also important that both speakers then avoid talking about money and price. 'Funding', the term used by the second speaker, is treated as clean money or as an acceptable way to talk about money. It is a term which allows her to talk (although very briefly) about ways of acquiring money *for* one's art (acceptable discourse) rather than about making money *from* one's art (unacceptable discourse).

As Douglas points out, people sometimes 'want to say two things at once or to maintain two contradictory attitudes' (Douglas 1982, p. x). Within the artworld higher status is signalled by a) an awareness of the need to maintain two contradictory attitudes, and b) the ability to achieve it. That is, successful gallery owners are able to run a business selling art (i.e. a commercial enterprise), whilst using discourses which suggest that they are not at all interested in money and avoid people who are (Velthuis 2005; Thornton 2008). Within my data some participants chose to use a discourse very similar to the gallery-owner (ideal) discourse, whereas others did not (and possibly were not able to).

Just as the two participants discussed above share a social space, all of the research participants are embedded within the world, rather than abstracted. They have access to a range of other people, and to the media, and whether they interpret a discourse as important, obvious, wrong or irrelevant will vary. Friendship groups and peer groups are key sources of 'how to', as Jason Bowyer, President of the New English Art Club (NEAC) said in an interview for the RWA Magazine: 'To have a

successful, lifelong career as an artist you must continue to learn and to meet the practicing community, maintaining lasting links' (Withers 2011, p.28). However, there is more than one practicing community, and more than one discourse, and each of these communities may jostle for a position of authority. For example, Jason Bowyer's comments were elevated by the explanation that "The New English Art Club has existed for over a century and is one of Britain's foremost exhibiting societies and the bastion of figurative painting."

The Fine Art faculty of the local university appears to have significant influence within the research context, and uses a similar anti-market discourse to that used by two of the city's main galleries/education centres which focus on 'cutting edge' art. Theirs could be termed the 'intelligentsia' discourse, aligned with those of major UK galleries such as Tate Modern, Saatchi, Gagosian, and schools of art such as Goldsmiths (University of London). It is art and art-discourse for the cognoscenti, not the bourgeois or the hoi polloi. The discourse is also a way of creating an alternative to the wider social hierarchy. For example, I overheard an exhibition-attendee explaining to another that

"[The exhibiting artist]'s not taken seriously,... because the *Queen* likes him. Anywhere else they'd ....[take him seriously]".

In the past royalty would have been seen as the arbiter of good taste, and that is probably still the case for many now. However, this attendee's comment illustrates the idea that there are multiple hierarchies, jostling for position. Although few would deny that the Queen is currently head of state, nor would they contest her high position measured in terms of wealth, the speaker suggests that the UK artworld contests the Queen's position at the top of the cultural hierarchy, and that it does so by treating her taste and art knowledge as to be ignored or conspicuously opposed rather than emulated. In his loud and plummy-toned public criticism of this artworld approach to the artist's work the speaker positions himself as being in a group that is

higher than the UK artworld cognoscenti, and possibly aligned to the traditional hierarchy, although his other point is that ‘anywhere else’ whether or not the Queen likes that artist’s work is seen as irrelevant. That is, the speaker appears to suggest that the UK cognoscenti or intelligentsia protest too much in their fight for cultural status and power.

The intelligentsia’s high-status alternative to traditional art is art and art discourse for those who (to paraphrase) like their art to be difficult. Through relatively easy access to tertiary education, civic galleries and media in which the Fine Art discourses are used it is possible for many people to have access to these distinctive formal intellectual discourses, but not all will choose to access, learn or use them.

The other main source of price-discourse expertise could be said to espouse the more bourgeois or traditional approach to ‘what is art’, in which art should be spoken of as from the soul, but that it need not be removed from the market by being difficult/cutting-edge/unsellable/undesirable to be considered Art. Here technique matters as much as being from the soul, and the end result need not be ‘difficult’ to be Art. As the article about the influential NEAC suggests, a key strand within the discourses of this group is that

‘the shared artistic language is one in which pictorial statements are slowly and intricately constructed, but when completed can be understood quickly and easily by everyone. It is ever evolving and capable of great spiritual depth, and this language is the Club’s main concern’  
(Withers 2011).

Note the difference between the NEAC’s stated aim of being understood quickly and easily by everyone and the use of elitist vocabulary (e.g. ‘pictorial statements’). This is a good example of what Douglas (1982, p.x) calls the wish to say two, sometimes contradictory, things at once.

Also note the difference between the NEAC’s stated aim that work should be ‘quickly and easily understood by everyone’ and a Fine Art lecturer’s scathing use of



terms such as “easy art” or “advertising art”, terms which were also used by a number of participants who had studied at the university. These are liminal discourses.

Within the magazine article the NEAC as source of expertise is positioned as ‘traditional’ and high status, validated by longevity and recognition by other traditional high-status institutes such as the RWA; the lecturer and Fine Art discourse is positioned as ‘cutting edge’ and high status through rejection of traditional and easy art, and validated by academic approval. In both examples the speakers use their discourses to construct a ‘truth’ about the artworld which includes types of art, groups of people, and their place in the hierarchy, and to suggest that their construction of the hierarchy has high status.

Within the research data the more traditional group is the most visible source of influence and expertise in ‘how it is done’, in that it is made up of the large swathe of the affluent middle class who are visiting galleries, buying art, attending art classes, making art, and talking about art. Their formal discourse is visible in the mass media, through long-established artistic organisations and galleries such as the NEAC, the Royal Academy, and the National Gallery (London) and their publications. The participants who fall into this group are aware of the Fine Art discourse, and some are interested in learning more about it – for example, participants told me about radio and television arts programmes, and about attending university evening lectures on contemporary conceptual artists such as Emin and Koons. Some have attended the Fine Art university course at degree and Masters level. However, few adopt the ‘intelligentsia’ discourse of rejection of the market.

I suggest that the reason that few of the Clifton Ladies participants used the intelligentsia discourses is perhaps because they have no need of the particular field-specific status that would confer, given their high status within the wider society. Knowledge of the intelligentsia-approved art and the market-rejecting discourses was often part their repertoire, available to be used if appropriate, but it does not appear to affect their willingness to engage with the market themselves.

Importantly, although the bourgeois discourse is pervasive and very visible, the detail of ‘how it is done’ requires close and repeated contact. Unlike the intelligentsia’s clear ‘reject the market’ or craft’s ‘embrace the market’ discourses, the bourgeois how-to-talk-about-art-price rules are less explicit, and involve negotiating the two contradictory attitudes. Unless one already is part of this social group it is hard to learn their implicit rules of discourses of pricing.

For example, when working-class DK wanted to know how to earn her living from her art she turned for advice to a local small-business advisor who offered an art-business service. Here she learnt useful practical advice on running a business, but she did not learn the detail and nuance of ‘how it is done in the artworld’. There were however alternative sources of information available which she could have but did not use. For example, a founding artist of an affluent-area art trail gave a seminar to the trail’s members on how to sell your art, but DK chose not to attend. Although she met the entrance criteria (you had to be a trail member), she did not think that attending might be useful. This learning opportunity covered some of the practicalities that DK had learnt from the business advisor, but much of the discourse used and was about more subtle elements of selling art. Importantly, this talk relied on attendees sharing and valuing the speaker’s interpretation of ‘how it is done’ and of what is and is not appropriate. It also relied on them knowing context-specific rules such as what discourses may be appropriate within a learning context such as that one, and what things should be left unsaid or expressed differently when with potential customers.

As Velthuis found when he began his study, as an outsider one is likely to only get the ‘gallery-speak’, not the ‘back-room discourse’, so one only learns that customer-facing positioning facet of the discourse; that is, one does not learn how to make a living whilst stating that money is not the object of the exercise. To broach the subject of money and price incorrectly means that, as participants AJ and LM found, all one learns is that to talk about art price and pricing is considered to be in poor taste, and may result in being categorised as ‘not like us’.

The third main source of expertise is to do with Craft. Although some research participants contested the division between art and craft, and called upon sources of expertise and authority such as Grayson Perry and the Turner Prize judges (see section the Art/Craft Divide), or Barthes, for support, within the research context it seems widely assumed that craft *is* different from art, and that makers want to make a living from their work. Craft makers discuss how to achieve this, whereas the ‘art’ discourse is that artists want to make their art, not that they want to make a living.

Whereas a rare piece of explicit pricing advice given to a group of art students by their tutor was “The First Rule is Never Price Your Own Work! NEVER. The second is Never sell your own work”, in the craft sector sources of pricing information are visible and accessible, as money and pricing are socially non-problematic. The craft lecturers and tutors are generally involved in practice – that is, as well as teaching they are or have recently been actively engaged with making their own work and selling it. Their market knowledge seems to be an important part of the education offered on these courses. For example within his seminars an animation tutor regularly mentions the pricing and marketing implications of obtaining particular skills or of using particular approaches, and these points are illustrated with examples from his own experience. In another example an MA animation student was asked by their assessors “How much do you need to raise [to complete that piece]?” and another student was asked “Where do you want to show this? What are you going to do with it?”.

There are many other sources of market expertise available for craft artists both within and beyond the university. For example there are many books on the subject: during the research period the arts faculty library used the two-wall display by the library entrance to display books about pricing and marketing for photographic and other ‘craft’ work (e.g. *Profitable Portrait Photography*, and *ethics: a graphic designer’s field guide* ). This public promotion and ease of availability of pricing/market material for craft objects is in direct contrast to the university’s

discourse re fine art, in which “saleability, I mean, (small laugh) that that was almost a dirty word!” (RJ).

Within the research data the primary sources of craft-price discourse expertise are other craft practitioners met through the art trails or events such as classes, association meetings and exhibitions/fairs. In contrast to ‘artists’, who were reticent about broaching price-related conversations with each other, craft makers such as PJ are open and willing to talk about their sales, pricing, and market considerations, and to give each other opportunities to learn ‘how it is done around here with an object like this’. For example, as a response to HM’s discomfort with handling money her more senior co-exhibitor implied that re-categorisation of the money from “money” to “professional fee” might be helpful.

In this suggestion the co-exhibitor was giving HM the opportunity to learn a possible ritual of category transfer, and illustrating how important categorisation may be to practice. However, the suggested term - ‘professional fee’ - , and the source of the knowledge (more senior exhibitor and expert in the field) belong more in the ‘craft’ than ‘art’ category. It reminded me of an animator tutor who praised a group of graduating students for having “come a long way. I don’t just mean technically, I mean as *practitioners*”, in that whilst this professionalism, market-awareness and technical skill may have value and status within the craft hierarchy, it does not have status within the wider art hierarchy. Although the use of the term ‘professional fee’ might facilitate ease of money-handling for BD, for some participants, and possibly for HM, this term implies membership of what is generally seen as a less desirable group (craft artists rather than artists), although it does imply high status within that lower status group.

## 7.2 Pricing discourse and group membership

In the same way that pocket money has different positional and relational associations to wages, and is treated differently, within the data money earned from or spent on art is often categorised as a particular type of money. How it is categorised, and the implications of this categorisation appear to inform discourses of the commensurative process and pricing decisions. Through these price/money discourses artists suggest their desired or actual group membership, and group membership informs their discourse choice – the relationship is dialectic and co-constitutive.

Discourses of art pricing as well as art objects appear in a hierarchy which involves a process of legitimation which is controlled by the intelligentsia and the rich bourgeois. Rather than behaving as disembodied *homines economici* intent on maximising fiscal return, it appears that for some pricers – e.g. those with lower economic capital - it may be more important to talk the right talk and gain or sustain a higher social position than it is to maximise economic return and risk losing face.

One can see a similar positioning and group membership/distancing effect in other pricing arenas such as the airline industry, in which a newcomer with a different ‘how to price’ rule book is seen as an outsider. Existing industry members can choose whether to adopt some of the new pricing approaches (signalling a move away from their traditional cohort and a move towards the new paradigm), or retrench. Pilot-study conversations with participants pricing in other fields, (including solicitors, carpenters, electrical company owner and business consultant, amongst others), support the finding that pricing practices may be used as group membership signals, and this is not restricted to an art context.

A few research participants queried why various pricing approaches are understood as inappropriate or appropriate, but for others the way they do pricing is not seen as negotiable or a choice. Rather than being seen as their interpretation of a convention, it is seen as a fact. For the majority of participants the hierarchy by medium and

associated pricing rules is the way it is – “people who do paintings, they always seem to charge a lot more and they seem to get away with it”, (photographer AD, line 626).

This photographer appears to interpret painters’ suggestions that he should charge more for his work as an inappropriate application of ‘painter pricing’ to his photographic work, and to understand that the artists do not really expect him to follow their advice. Instead, the pricing suggestion made by the artists should be understood as a complement, and perhaps as slightly patronising: we both know your work is not art (shared interpretation), but let us pretend it might be taken as such. The painters’ suggestion is founded on and supports the dominant understanding of hierarchy by medium in which painting is art, and higher status, and photography is not (Bourdieu 1990), and confirms the group membership and unequal status level of the two parties and their objects.

### ***Catch 22: Getting it right/getting it wrong***

Catch 22 is a phrase based on a novel by Joseph Heller, used to describe a paradoxical situation in which the person cannot win because of rules over which the person has no control. Within the book, by asking for a psychological test to avoid doing military service a pilot was considered sane enough to fly. The Catch 22 was that if he did not ask for a test he would have to fly, and if he asked for a test he would have to fly.

Within the data, ‘getting it right’ was sometimes seen as complicated, and a number of the participants found themselves in a Catch 22 situation:

Although from a methodological point of view there is a ‘problem of interpretation that arises from ambiguous intentions’ (Douglas 1982, p.x), for the pricers in this research context being able to construct ambiguous statements is a key benefit. In the case of Velthuis’ gallery owners, as with some of the research participants, sales

were sought and made, despite protestations to the contrary. Within the artworld and for many participants within the research context the ability to negotiate conflicting discourses is 'getting it right' economically and socially. However, it is a difficult negotiation.

DK constructs her work as being 'from the soul' (using the Romantic discourse to construct her work as Art), but it does not make enough money for her to live on, which is problematic. She appeared to feel it necessary to conform to her interpretation of separate spheres ideal in return for object categorisation status, despite the corollary loss of income:

"DK: I don't want to um start doing abstracts and landscapes because I think the gallery will represent me ... better, if I did that. Cos I'm not really interested in doing that.

SS: Although you do want to earn your living as an artist.

DK: Yeah. And that's the catch two three two six eight

SS: 22?

DK: (laughs) yeah, that's the one.

Its my 'vocation' (uses self-conscious tone, and laughs). Yeah, I'm not, I'm not going...

I'd feel I'd be *commercialising* myself if I did that [i.e. abstracts and landscapes in order to get better gallery representation] ... And I'm not going to do that. (determined defensive tone)"

(DK)

DK's primary concern appears to be with 'getting it right' within the Romantic framework. DK knows the 'rule' that art should be from the soul, not made for commercial gain, but also recognises that following that dictum means that she is less likely to gain gallery representation – that is the Catch 22. DK's Catch 22 is that she wants artworld status of Artist, and wants to earn her living from her art, but does not want to make art that will enable her to earn a living as she sees that as undermining the 'artist' criteria. For DK being seen to reject 'what will sell' as her motive for making art is a source of desirable group membership which outweighs economic rationale.

PJ is in a slightly different position: her work sells very well, and possibly because of that commercial success her work is not considered to be Art, and she would like it to be, as this has higher status. Although her work is appreciated by gallery owners and personal buyers, she feels that more academic connoisseurs see her work as 'craft', and that is why it has been excluded from high-status exhibitions she has applied to be part of.

It is frustrating for PJ that her work is apparently seen as less worthy of inclusion in those particular exhibitions given that historically, when exhibiting side-by-side with accepted artists, PJ regularly sells as much as ten of those around her put together. If sales were the criteria, her work is much better than those whose work is accepted for the high status exhibitions.

The Catch 22 is that whatever she does she will lose out: she can *either* move away from making what will sell towards more conceptual work, and be "taken more seriously" (achieving membership of the intelligentsia group, which she and her husband see as desirable), *or* she can continue to be excluded from that group but continue to make a substantial amount of money, which she enjoys doing and is proud of.



### ***Getting it wrong: the consequences***

Although there were many ways of getting it right and getting it wrong, within the data the area of price reductions seemed to be the most sensitive, perhaps because it drew attention to the commercial and monetary aspect of the exchange.

“I was part of a group which had an exhibition last year at [relatively high status gallery space, hired by the week]. One of the artists, on the last day, wanted to put up big signs (waves her arms to demonstrate the size)... ‘Buy One Get One Free’!!! (tone of despair and outrage). Awful!

We tried to persuade her [not to], it doesn’t look good for all the other work [i.e. theirs], but she said she really just wanted to shift some work, clear some space.”

SS: Would you show with her again?

“No.”

(MJ)

Here the ‘Buy One Get One Free’ artist showed herself to be following a different set of interpretations and rules of ‘how it is done’ than the other artists in the group, and therefore not part of that group. Whilst the group tried to impose constraints at the time, their attempts to dissuade the artist from using what they felt was an inappropriate pricing discourse were unsuccessful. However, they will impose constraints in future by excluding that artist from group shows. From the interview it was not clear whether the offending artist would have other sales opportunities elsewhere, but it was clear that an opportunity to share a selling venue with this group of artists was unlikely to reoccur, as she had been clearly told that she had ‘got it wrong’ but still seemed unwilling to conform to the group’s expectations.

As previously discussed, the use of red Sale stickers was seen by the vast majority of participants as inappropriate. To them, the red Sale stickers signalled that the artist ‘didn’t get it’ and that the work was more ‘craft’ or ‘grocery’ than art. Similarly, a participant who said “D’you know what? I could offer you a bit of discount today” was getting it very wrong in his use of overtly commercial language, and in using this he threatened the ‘art’ categorisation of his objects. In contrast, reductions given discretely to ‘a good home’ were considered to be perfectly acceptable.

Although reductions were a particularly fraught area, there were other money-related discourses which were construed as getting it wrong. Participants who talked of wanting money, especially for mundane (profane?) purposes such as paying bills, were generally seen to be getting it wrong, with social and economic effects. However, simply being understood as being interested in sales could be problematic. For example X, an artist who had been good friends with others within a particular circle, was increasingly excluded because of what they considered her inappropriate interest in the market and in producing work which would sell: instead of being like us, she became “very different”.

DW: You must talk to [X] – she’s very different, very clear about her prices.

FW: But she’s got a totally different approach to us.

DW: You must talk to her! You know, she paints to sell, She....

FW: I can’t paint something because it will sell!

DW: Selling your soul

(They both grimace)”

(DW, FW, Field notes)

Another artist (LM, non-British but long-term resident) told me how upset she had been when she had been cold-shouldered by the others in a group show (reasonably established local artists, showing in a central gallery). LM said that she was excluded

because she had suggested that they should have a conversation about pricing before the exhibition started. She had felt that this was an obvious conversation to have, but was made to feel that she had done “something terrible” by suggesting it. Rather than a conversation about price being unproblematic, their reaction told her that they felt she had ‘got it wrong’, that she had bad manners, and she was ‘not one of us’. It surprised her that talking about price was clearly a touchy subject in that context, and her surprise revealed a lack of knowledge of that group’s ‘how it is done’.

In the research context, for an ‘artist’ to discuss pricing is ‘getting it wrong’: the first rule appears to be that if you wish your work to be understood as ‘art’, you don’t talk about pricing. Although pricing conversations may happen between artists, during the research period I observed no instances of this, and within the data there was only one instance in which an artist (as opposed to craft maker) reported discussing prices with another artist, who was described as “my mentor” (RM). On the whole, artists priced on their own, but sometimes with a short discussion with their partner. The absence of price as a topic of conversation suggests that for artists – even those involved in creating a market opportunity, as in the research context - pricing is a socially sensitive topic. The strong rule that to talk about pricing is wrong is easily if painfully learnt (cf LM’s experience above) even if not accepted as rational. The invisibility of price in conversations means that for artists there are few opportunities for a more useful ‘how to price’ apprenticeship of the type so readily available to craft makers.

There was only one instance within the data in which a group of artists had willingly and explicitly discussed prices. In this case they were all middle-class women who had recently completed the same MA, and were taking part in their first art trail, and were all showing together. I suggest that the price conversation perhaps occurred because within this particular group and pricing context it was considered appropriate and desirable to talk about pricing, rather than seen as a form of ‘getting it wrong’ - they were more interested in emphasising their similarities and cohesion rather than being worried about exposing differences and/or jostling for membership

and authority. It was noted by them that emphasis on similarities may have restricted an individual from using higher prices, but may also have raised modest prices.

From the data one can see how economic effects are linked to the social: by using the wrong discourse and so showing that they are ‘not like us’, artists such as X and LM, and the artists who used red stickers or ‘Buy One Get One Free’ posters are far less likely to be included in future group shows organised by the people they have alienated. Group shows are opportunities to sell with lower costs than a solo show, and with more visitors. That is, by getting it wrong in DW/FW’s eyes because they interpret the work as being painted to sell (undesirable), rather than from the soul (desirable), X may have reduced the likelihood that DW/FW (and their friends) will buy her work, and she has lost some opportunities to sell to the public.

The effect of group exclusion can spread further. For example X may find it harder to get support for her application for membership of one of the local elite art institutions for which one needs sponsorship. As X explained to me, membership of this institute is highly desirable and matters to her. She would like the kudos of their recognition of her work (they are legitimate legitimators), and she would enjoy being associated with them, and it would be beneficial on her art curriculum vitae. Membership would enable high-status sales opportunities, and from experience she expects membership to change buyers’ price expectations. She may have damaged her chances of getting in because she has been understood by a locally influential artist to be using the wrong discourses – she does not know ‘how it is done’, and therefore is ‘not one of us’.

## **CHAPTER 8 SUMMARY OF FINDINGS AND DISCUSSION**

### **8.1 Pricing as embedded action**

In this research the market is considered a social institution (Baker and Jimerson 1992; Arnould and Thompson 2005; Peñaloza and Venkatesh 2006). It moves the focus of analysis from consumers to producers, and examines their pricing practices. As Penaloza and Venkatesh (2006) suggested, it is important that one consider the whole of the market as being made up of social beings inhabiting communities, rather than assuming that the supply-side is less influenced by social and cultural context, or that the supply-side meaning-making is less important in the construction of market meanings. The data from this research shows that pricers learn about pricing through an on-going communicative process, and that 'how to price' includes a range of possible pricing options which are deemed more or less appropriate for 'a pricer like me with an object like this'. Whereas the vast majority of prior research has assumed that pricers use an economic or strategic rationale, this ethnographic study builds on and extends the small amount of previously published research which focusses on the sociological aspects of modern pricing practices (Espeland and Stevens 1998; Morton and Podolny 2002; Velthuis 2005). It extends that literature by showing that pricing discourse options and interpretations are construed as having social meanings (which Velthuis suggests), and that, as in Douglas' 'primitive' pricing contexts (Douglas 1982), the rules of 'how to price' are shaped by the existing elite and used as affiliation signals.

As discussed in the Literature Review, within Marketing there has been a significant and growing interest in exploring the social and cultural aspects of consumer behaviour. In this research stream consumption behaviours and their interpretations are construed as having social uses, including their use as affiliation signals. Luedicke (2006), for example, examines how brand communities work as social systems, and that how consumers use interpretation of the meanings of objects and behaviour of others is used a positioning tool.

In contrast, Thompson and Tian (2008) exploration of *supply*-side meaning-making processes assumes that the primary drivers for the use of particular discourses is to promote commercial gain. This view of the marketer as economically-focussed and outward-looking reinforces Poundstone's (2010) assumption that pricers have evolutionary advantages over consumers. My data suggest that although some pricing discourses may ostensibly be underpinned by commercial motivations, what the pricers/marketers know, and whether, how and why they use that knowledge, may not be driven purely by economic concerns, and that this matters.

Whilst those trained in the current Western academic approach to business practices may assume economic rationality or strategic intent on the part of the supplier/producer, a review of actual pricing practice suggests that this assumption should be treated cautiously. For many within the art world context of this research to use discourses of economic rationale and maximisation for art would be to be getting it wrong, and badly. That is, for the majority of participants the affiliation signal of rejecting economic rationale is more desirable than signalling that one embraces commerce.

Morton and Podolny's (2002) research suggests that some pricers (such as the hobbyist wine producers in their study) may choose a lower price for their object than they could, because they gain a utility (i.e. a non-economic benefit) from the production of the object being priced. This is an important finding. My primary study of art pricers reveals the possibility of varied constructions of 'utility', and examines how this non-economic concern informs pricing practice.

From my data it is possible to see some pricers using a similar approach to that used by Morton and Podolny's (2002) hobbyist wine producers, in that they choose lower prices than they 'could', because they gain some other utility. The discourses of the art participants suggest that the utility gained from particular price discourses (including price chosen) includes, but is not necessarily restricted to, social kudos amongst those the participants are or wish to be associated with, or at least a suggestion of membership of the desired group. This finding expands Morton and

Podolny's (2002) work in which they suggest that hobbyists choose lower prices because they 'love' making good wine, and that to pricers such as these the recognition of their wine-making skill by experts and peers is reward in itself, counterbalancing the lower economic profit. My findings suggest that it is not just the recognition of production skill which is important to pricers, but also the group membership that implies. This sociological reading of Morton and Podolny's (2002) data suggests that the hobbyists' lower pricing is as much a learnt practice used to signal knowledge of elite 'how it is done' and thereby signal group membership, as it is a considered weighing up of the balance sheet. That is, the hobbyist wine makers are constrained in their pricing by their understanding of the (to them) desirable 'how it is done'.

Whereas Morton and Podolny (2002) found that the pricing practices of the hobbyist wine pricers drove commercial (i.e. profit-orientated) producers from the higher-quality end of the wine market, in the pricing context of this study the market structure was not skewed in this way: within my study although some pricers appeared to use a similar logic to those used by the hobbyist wine makers (associating high status with low or no prices), participants with higher status cultural capital (the Clifton Ladies) were able to gain the 'utility' of kudos and high-status social group membership *as well as* choosing (and achieving) higher prices for their work. That is, rather than it being an either/or situation in which pricers have to choose to gain either social status or economic gain, as in Morton and Podolny's study, in my research (as in Velthuis' study) interpretations of discourses of price were constructed so that elite participants (but not other participants) are able to achieve *both* kudos and economic gain.

The pricers in this study are embedded in their social context, rather than acting as abstracted economic actors. They have learnt their categorisation(s) of object and associated money, as well their interpretive repertoire, from family, friends, artworld peers, local institutions and mass media. 'How to do price' is learnt, and subject to varied, complex, and sometimes conflicting meaning-making.

As Velthuis (2005) found and Morton and Podolny's (2002) study suggested, whereas economic theory assumes market actions are informed by a logic of individualistic economic maximisation, in real world contexts such an approach may be construed as being 'wrong', even immoral, rather than 'logical' or 'rational'. My research shows that such interpretations are shaped by the pricer's knowledge of interpretive options, the possible social meanings of those options, and their choice of expertise/precedent. In an artworld pricing context an overtly economically-driven discourse or perceived interest in earning money may be considered "crass" or dirty ("I had to go and wash my mouth out"), and/or indicative of lower social status of the speaker and the art object. The art object may be, by association, categorised as "popular", "populist" or "easy art", which were used as negative terms in this context.

Within the research context and the wider Western artworld in which it sits, the dominant construal that money and commerce is dirty and problematic, and should be kept apart from art. This interpretation of commerce and money underpins the pricing discourses of the vast majority of participants, but (unlike Velthuis' study) it appears and is negotiated in a variety of ways. The variation is perhaps not surprising, as interpretive repertoires are learnt, and therefore depend on from whom one learns, and the context. Unless they can compensate in other ways, participants who treat money as neutral and commercial discourses as non-problematic are demonstrating a lower or different cultural capital than those who demonstrate a "middle-class discomfort with money" (BR). Alternatively, their discourse may suggest acceptance of the hierarchical rule that their type of work is less art, and that they are part of a different, lower status, social group ("I'm just an illustrator").

## **8.2 Money matters - Money categories and transformations within discourses of price**

In practice, one cannot think about pricing without thinking about money, yet this aspect of pricing has hitherto been ignored because money is assumed to be neutral,



or meaning-less. However, previously published research has suggested consumers separate monies into different categories, and that the categories of money are meaning-full, and that the meanings are socially constructed and used within social relationships. This study contributes to previously published price research and money research by showing that pricers distinguish between different categories of money, and treat money as a meaning-full construct within their commensurative considerations and discourses of price.

As Thaler(2008 [1985], reprint of 1985 paper) suggested in his seminal paper ‘Mental Accounting and Consumer Choice’, consumers use different money heuristics and calculative practices (which he termed mental accounting) depending on which pot or category they have allocated the money to. My research shows that pricers also create distinctions between monies rather than seeing money as ostensibly equal and neutral. It also shows that the different categories of money have associated practices. That is, just as consumers’ choices and money practices are informed by their interpretation of money categories in Thaler’s research, so pricers’ choices and pricing practices are shown to be informed by their interpretations of money distinctions.

However, whilst Thaler shows that people create distinctions between monies and use different heuristics for different ‘pots’ or categories, the participants in my research, as in Zelizer’s (1994), can be seen to be using varied categorisations/distinctions, and varied associated practices. Zelizer showed that money categories matter in relational practices, and that conforming to particular etiquettes is a means of signalling group membership and social relations. She also showed that if one looks at people’s money-handling practices one can see categories and meanings of money being transformed (Zelizer 1994), because to do so is part of the learnt ‘how it is done’, and has social uses. Zelizer shows that these transformations are achieved through rituals of category change and shared understandings of the rituals. Whereas her focus was on domestic money practices, my research extends her work by showing that money categorisations also appear in

pricing (which would generally be construed as a market practice). I show that money categorisations by source (the object being priced and the buyer), form, holder, and earmarking affect pricing practice, and that transformation of money categorisations and meanings through discursive practices is an important, sometimes necessary, part of the practice of pricing.

Rather than thinking ‘a dollar is a dollar is a dollar’, within the data money is understood by the research participants as having different categorisations and meanings. The participant’s pricing discourses and price choices appeared to be informed as much or perhaps more by category meanings and perceptions of the need (and means of effecting) category change than they were informed by economic considerations. This pricing practice is very different from three foundational constructs within marking price theory, which are that money is a neutral element within the price consideration, that pricers will seek to cover costs (costs + profit), and that pricers are aiming to maximise returns (“what the market will take”).

Within the data, money from art (source) was frequently construed as dirty and tainting. As a direct result of this socially constructed meaning of money, pricing may be avoided, or the pricer’s discourse may involve re-categorisation of the money from dirty to clean through discourses of source and earmarking, and to a much smaller extent, form (e.g. through use of cheques rather than cash), because these discourses are interpreted as performing necessary rituals of category change. For those who hold a higher social position and high status cultural capital, such as the art gallery owners in Velthuis’ study (2005), or the bourgeois (Clifton Ladies) participants in my study, pricing art involves using discourses and practices which emphasise knowledge of the dirtiness of money whilst simultaneously enabling a transaction/commerce to take place. The masking discourses of the elite implicitly convey to the visitor/buyer: “we know money is dirty, that’s why we handle it in this way. And we handle money in this way, so you can tell we know it is dirty.” Through collusion these discourses and practices are understood as transforming the

money sufficiently for pricing and sales to be achieved whilst the high status of the art object, seller, and buyer, are maintained.

The idea of collusion is an important one, in that it is only possible when there are shared (or sufficiently shared) ideas of what particular practices ‘mean’. This is discussed more fully in the following sections. Here I discuss the shared and varied interpretations of money categories. In the research context the dominant construal of money was that money from art (source) is dirty, and that overlap between art and commerce (such as selling and pricing) should be avoided. This categorisation of money by source underpinned almost all of the pricing discourses during the data collection period. As an outsider, I had expected people who were involved in setting up a market to be interested in commercial discourses, but this was not the case: I clearly ‘didn’t get it’.

When I started to research the pricing practices within the art trail context I was surprised by how rarely price was mentioned when the conversation was left up to the artists. Although these artists had chosen to set up and take part in a market (the art trails), what I considered a key driver for taking part in a market – that is, sales, and therefore a consideration of price and how to price - were conspicuous by their absence.

Having established that the topic of price was largely avoided within this context, I began, tentatively, to ask people directly about their pricing. I had another surprise: rather than considering my question to be a faux pas, as I had suspected (I had investigated previous research regarding data collection for sensitive topics) most participants when asked directly and privately about their pricing seemed very happy to talk about it, at times overwhelmingly so.

However, there seemed to be an extraordinary lack of what I had hitherto considered general knowledge about pricing. Whilst most of those pricing within this context have had little or no formal business training, all of the pricers within the art trails are, like the rest of us, regular consumers. There is a tendency amongst marketers to

assume that consumers are reasonably savvy about pricing practices, perhaps because discussions of prices and how to understand prices are a familiar if small topic within the mass media. For example, *The Guardian* newspaper's Money pages has been carrying an on-going section in which readers send in their photographs of pricing labels and stories of pricing scams/anomalies in supermarkets; Mainstream radio uses terms such as 'loss leader' and the acronym BOGOF as though we all know what they mean; Magazines and online consumer forums remind us to do the maths and compare prices. Therefore, even if the pricers had no formal training, it does not seem unreasonable to expect them to use pricing discourses which include pricing concepts learnt as consumers. However, within this research study this was rarely the case. From my prolonged immersion in the context I suggest that the paucity of commercial discourses was not necessarily due to lack of pricing knowledge, but instead was shaped by an understanding of how pricing *art* is done. That is, the commensurative options are shaped by interpretation of object (art) and categorisation of money associated with art (dirty).

During the data collection period, where commercial pricing ideas *were* used, the speakers mentioned elsewhere in the conversation that they knew they were getting something wrong. This, combined with the general absence of discourses of price suggests that not mentioning price or money (commercial considerations) is often understood as 'getting it right' in this context. The tension between the art-pricing 'rules' and commercial pricing logics (in which economic success is desirable) caused problems for many pricers –in fact for all pricers except the elite and those who were unaware or happy with the low social status implied by their (inappropriate) commercial discourses.

For example, one participant who had a sale (explicit price reductions with red Sale labels), and discussed 3-for-2 offers (another overtly commercial practice associated with groceries rather than art), said that she didn't know how to talk properly to agents or galleries, and wished she did. Another participant said sadly that she put a lot of effort into selling - she gave thought to what would sell and to customer

budgets, and this commercial effort paid off: her work sells very well. However, she felt that selling well (and being seen to do so) meant that her work was considered by the elite to be not quite art, and she was excluded...and she would like it to be taken more seriously (ie included in the elite group). However, at the same time, she was proud of her sales.

Meanings of money, price, and price-discourses are shaped by and shape social practice, and the affiliation-signal uses of discourses of price appear to be an important element of price-related behaviours, sometimes outweighing economic rationale.

Within the data there were buyers who refused to buy a picture because it was reduced 'incorrectly' (red Sale stickers, rather than through a 'good home' discourse), and examples of relatively poor artists choosing to produce unsellable installation works rather than make some (dirty) money. Artists reduced their prices because the buyer 'has a feeling for' the piece, even when a reduction was neither requested nor required, because this practice is seen to have a money-cleaning and social-positioning effect. Although these practices happened in a market-place, none of them make economic sense. As mentioned by Ruston (2007), rather than being purely economically driven, money and pricing practices are interpreted by both the pricer and the consumer as being more or less appropriate for particular types of object. What Ruston does not draw out is that the interpretations or meanings associated with particular types of money or pricing practice are used as one of the ways "you guys like to sort people out" (RM) in the social and field hierarchy.

There appear to be rules which pricers need to know, either because they wish to be seen to belong to a particular group of producers/pricers, or because they are pitching at a particular customer group. This is because pricing and discourses of price are understood as signalling that one 'gets it' or 'doesn't get it', that one knows the 'correct' rules and how to apply them, or one does not. For example, do not use Sale stickers if you want your work to be classified as Art by those familiar with art

gallery practices, *or* be able to counterbalance the use of Sale stickers with a display of cultural capital equal to or higher than that of the buyer.

Although there are social benefits to using the correct pricing discourse, pricers need to be aware of the potential constrictions of working within ‘the way it is done around here’, and that there is more than one way to interpret ‘the way it is done’. Although the choice of discourse may signal membership of a desirable group and therefore have positive social consequences, conforming to the rules of that discourse may have negative as well as positive economic effects.

Knowledge of the rules of how it is done is cultural capital. To succeed in sending the right art signals (with associated social positioning) *and* make clean money requires a specific cultural capital. Knowledge of the nuances of interpretation depends not just on what one has learnt recently, but on how one was brought up, and how one’s parents and their parents were brought up (Bourdieu 1984). Importantly, university courses are more accessible than knowledge accumulated over decades of artworld contact through gallery-visiting and art-buying.

It appears that pricers with a partial knowledge of the range of possible interpretive rules (for example those who have attended art college but whose parents are working class) may know and be willing to use the anti-money and anti-market discourses they have been taught by their professors in order to be seen to have accumulated that cultural capital: the art trails are a chance for less economically-advantaged to be culturally snobby. Membership of the high-status social group (the intelligentsia) is achieved through classification of money as dirty and ideally kept separate from art, and desire for membership appears to outweigh economic logic for these participants. Other more affluent middle-class participants were able to earn money during the art trails, as the participants know how to ‘clean’ the money. That is, rather than use the ‘rejection’ discourses used by the intelligentsia, the ‘Clifton Ladies’ use masking discourses which suggest no interest in making money but which enable a commercial transaction to take place.

Although most pricers within the data know the broad art-pricing principles which are visible in the mass media and are taught by lecturers and tutors (generally implicitly rather than explicitly), some pricers do not have sufficient cultural capital in artworld practices to find a way round the Romantic ideal discourse of rejection of the market. The data suggest that these participants accept the myth of the starving artist as the primary source of integrity because they cannot sustain the ‘art’ categorisation for their object *and* price and sell their work. Because of their lack of long-term exposure they do not know the ways in which gallery owners and the cultured classes are able to use a set of discourses of money, commensuration and object which are understood as effectively maintaining a façade of the separate-spheres position whilst allowing a financial transaction to take place. Perhaps it is not surprising that a common wish amongst the non-elite pricers was for an agent or gallery to do the selling for them.

The lack of knowledge regarding the appropriate way of talking about money, price, commensuration and object appears to often have deleterious economic effect. At its extreme, full adoption of the Romantic ideal separation of art and commerce encourages the participant to make unsellable work such as installations, the loss of money outweighed by the kudos gained by having shunned the market. At a slightly less extreme position the desire to conform to the Romantic ideal means participants make sellable work, e.g. paintings, and they exhibit that work, but the work is not priced or for sale. As one such participant said “I can just take in my two paintings [and] get a response from people” (RIJ). The stated aim of these participants is to gain an intellectual and emotional connection with others, not money, and this is used as a social-positioning discourse.

A few participants within the research context had purposefully and visibly chosen an economic goal, thereby gaining a different kudos – making money is generally admired in our society, if not within the art fraternity. However, as a direct result of their commercial drive and success they have been excluded from both the bourgeoisie and the intelligentsia ‘in-crowd’. Two of the participants (PJ and MC)

who are economically very successful compared to the other participants said they felt that their work was not taken seriously by the cognoscenti. They talked of the need to change their practice in order to gain artworld kudos, even though they associated the change with a substantial economic loss. That is, even when the participant needs the money, social aspects and aims such as group membership and status may outweigh economic logic. Pricing discourses are seen as a social signal, and the desire to send the right signals affects discourse choice.

Rather than pricers simply thinking about profit, a key consideration appears to be how others like me, and how others higher up in the field's hierarchy, do pricing – that is, how do pricers like me, or pricers I wish to emulate, interpret the rules. How do these others talk about and interpret object, money, commensuration and price? Rather than being based in abstracted economic rationale (“It’s supply and demand, isn’t it?”), pricing can be seen as a socio-economic practice which involves construals of money, and creating, knowing and maintaining right ways and wrong ways to do pricing within a particular context. Pricing is about commensuration and relationships, and, as is already happening with consumption research, needs be considered a social process rather than an abstracted economic action.

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### 8.3 Readerly and Writerly texts – contested meanings

Using the Romantic discourses in which art and commerce are treated as ideally separate is rather like the artist Duchamp's use of the plinth for the urinal: the discourses are understood to 'make' the object 'art'. However, although the plinth may be widely understood to generally fulfil that signalling function, its efficacy may be contested. That is, although it was widely understood that Duchamp was using the plinth to signal the 'art' status of the urinal, not all viewers felt that it was a correct use of the plinth, or that it succeeded in changing the object category. The intended meaning of the plinth may be widely understood, but its context-specific meaning may be contested. That is, as meaning is constructed by writer *and* reader of the discourse, all texts should be assumed to be writerly texts (Barthes 1972).

Whether one is able to construct an adequate plinth through discourse depends on the writer *and* the reader, and the categorisation is fluid and subject to on-going hermeneutic analysis by the various parties involved. That is, although a pricer may be able to (and choose to) use or not use a discursive plinth to signal the 'art' category for their work, the categorisation and degree of success of the plinth/discourse will be constructed as being more or less art by the viewers as much as by the makers. That is, the viewers' categorisation will depend on their interpretive repertoire, their knowledge of the artist's previous work and discourses, the artist's current practice, and how others have categorised their work and those discourses.

Informed dispute regarding the function and meaning of particular discourses and objects was used by participants as a way of suggesting higher status for oneself and particular price discourses. However, in order to challenge the accepted meaning the challenger needs to draw upon extant legitimate aesthetic theories, which requires knowledge of the theories and a particular class ethos (Bourdieu 1990, p.97/8). In

making the challenge the participants drew attention to and confirmed rather than subvert the dominant view and their place in the social hierarchy.

For example, Duchamp's challenge regarding the meaning of the urinal and associated challenge of extant 'what is art' theories relied on the use of an extant discourse (the plinth) and its meaning to 'make' the urinal art. In making the challenge Duchamp gained notoriety, but the degree of success of the challenge was not (and still is not) agreed upon. Within the data one can see criticism of what the participants saw as the general view of the object hierarchy in for example RM's critique of the current UK divide between art and craft, and GT's critique of the status of photography in the art hierarchy. In being willing and able to contest the dominant view from an alternative, perhaps outsider, position, these participants suggest their own high status and that their interpretation is high status and legitimate. However, the higher position of the support and expertise they draw on depends on extant legitimisation theories. This means that although interpretations are not nature and are theoretically open to challenge and change, they may be very long-lived, especially if the existing interpretations benefit the elite.

Within the art market the dominant (if contested – e.g. see Parks (2011)) discourse is that commerce and 'commercial money' is tainting. Commercial success (overlapping spheres) is both admired and vilified in many of the arts (Bradshaw and Holbrook 2007), depending on context. The discourse of the tainting nature of commerce is both implicit and explicit across a range of sources including the mass media, but its dominance and longevity does not mean that it is nature. Nor is the rule and its nuances necessarily understood in the same way by all actors, as interpretation of a discourse as 'getting it right' or 'getting it wrong' is learnt.

Although much of one's interpretive framework – including interpretation of money and market practices - is learnt from one's parents (who learnt it from their parents and so on), some is shaped by outside sources – although how one values and uses that new information is informed by one's upbringing (Bourdieu 1984). That is, class matters, even in pricing, because it informs knowledge of possible discourses

(know that) and the context-specific choices (know-how). Meanings are unstable, they may be contested and contest-able, but the dominant groups and classes are likely to be able to shape interpretations of what is right and what is the wrong meaning.

In pricing, as in other situations, ‘Another enthusiast need only utter two words to betray the vast amount of sharing that is possible for them both’ (Douglas and Isherwood 1996, p.51). That is, discourses of price, which include discourses of money, are socially important in that they suggest similarities and differences between people.

Douglas and Isherwood state that ‘In the protracted dialogue about value that is embedded in consumption, goods in their assemblage present a set of meanings more or less coherent, more or less intentional. They are read by those who know the code and scan them for information’ (*ibid*, p.xv).

From the research data I suggest that pricers’ discourses of price and their prices are also part of the ‘assemblage’ used by participants to show social position and group membership. The social meanings of discourses of price are similarly more or less coherent, more or less intentional. These meanings are ‘read’ (or written, as Barthes suggests) by those who know a code, but this will not necessarily be the same code as the one used by the writer.

Whilst Douglas and Isherwood focus on consumer readings of meanings, the data shows that pricers also read/write meanings, and that they seek to influence others and gain approval for their interpretive repertoire. For pricers as for consumers, group-membership is signalled through a particular vocabulary and interpretive repertoire, and in a dialogical relationship group membership also informs the construction, reading and response. Importantly, group membership may have drawbacks as well as benefits, and this is discussed below.

#### **8.4 Community imposes constraints**

Choice of discourse is as much a social as an economic one – it depends on access, what options one is aware of and has the cultural capital to carry off, as well as which discourses one sees as more desirable (Bourdieu 1984). Rather than necessarily being obvious that a choice had been made, many participants appeared to feel that there was an obvious way to do pricing, e.g. “It’s very formulaic, isn’t it?” (MRf). This is reminiscent of Barthes’ concept of the ‘falsely obvious’ (Barthes 1972, p.12), and Bourdieu’s suggestion that groups (particularly class groups) ‘are separated by systems of differences’ (Bourdieu 1984, p.259). In other words, the assumption and implicit message embedded in phrases such as “It’s very formulaic, isn’t it?” is ‘This is the way people like me do pricing’. Rather than maximise economic benefit, the pricers may prefer social benefit, or may not examine their assumptions of ‘the way it is done by people like me with an object like this’.

Within the data it was notable that the bourgeois participants tended to make ‘art’, use gallery-type discourses, and set and achieve higher prices. That is, they were enabled by their understanding of appropriate discourses. Craft artists in contrast tended to assume their work had a lower status (“I’m only an illustrator”) and to expect that visitors/viewers would therefore expect it to have lower prices. These participants used commercial discourses (signalling the ‘not art’ categorisation of their objects) and used lower prices. That is, they were constrained. Although the vast majority of participants did not express their pricing discourse as a choice, a choice to conform to rather than examine and challenge their assumptions of ‘how it is done’ has been made.

A small number of participants spoke of their awareness that there was a variation in what was considered appropriate, and seemed to be feeling their way through a range of possible options with a less clear idea of which approach was more ‘correct’ or more desirable. For example, RJ spoke of learning different approaches from different people, resulting in a set of conflicting ideas about the appropriateness of various discourses. The money-as-contaminating discourses she had learnt from art

tutors and from observation of elite art institutes was very different to the example set by the actively-selling artist she chose as her mentor for the art trails. In another example, PJ's husband (an artworld academic) espoused the Romantic view shared by the field experts who legitimise work through acceptance or rejection from exhibitions, whereas the artist, PJ, was proud of her notable commercial success, which she felt she would have to compromise by making less sell-able work in order to gain field kudos. As PJ had found out, choosing to use a more craft discourse may result in rejection by those who have adopted the criteria of the academic legitimators, who "like Adorno, like [their] art to be difficult", and who want saleability to be "a dirty word".

It appears that choice of pricing discourse and art practice can directly inform financial success. However, choice of pricing discourse is constrained by options available, and entails a consideration of social as well as economic impact.

From the data there is an on-going jostle for authority re the art hierarchy and what pricing discourses are appropriate for different categories of object. Whether a source of authority is accepted as such depends on who is viewing the source. For example, the art industry experts in the article by Parks (2011) seemed unlikely to be swayed by the opinions of the money experts as this would suggest a merging of hierarchies and potential loss of social position. As Espeland (1998) pointed out, commensuration is a social process: deciding what is equal to what, how much of what is equal to what, whether it is acceptable for those things to be compared, and even whether it should be considered price-less, is a mode of power. It is perhaps not surprising that there are competing sources of authority re the commensurative 'rules' of a particular field. This finding in discourses of price extends Zelizer's (1994) point that within domestic money practise there are etiquettes, not *a* money practice etiquette.

In this study, as in Zelizer's research, participants used different rules depending on which community the participant is or wishes to be seen to be part of. Within the art trail context the importance of social connections and group membership to

economic success cannot be underestimated. Social connections frequently affect where one shows one's work (it need not be one's own house), and who one shows with. They also affect who one invites to the Private View, and whether they come or not. This is not pricing as an isolated individual as in economic theory, this is pricing in a social context. If the participant can show their work in a large house in the wealthiest district, in the middle of the trail area, with a group of other artists who are also able to invite wealthy arts-oriented visitors, they are far more likely to make sales, and at higher prices. The visitors and *their* use of the correct discourses also confirm the construction of the objects as 'art' (which warrant a higher price than craft), and ideally the effect ripples out to influence how others understand the object and its price. For the artist, being understood as belonging to a particular group may significantly affect economic opportunity, and their choice of pricing discourse informs group membership. Intriguingly for a pricing context, the economic effects of using the 'right discourse' can be negative as well as positive. The economic and social are not mutually exclusive, although they were often constructed as such by the participants.

Amongst the participants, the choice appears to be:

**Get it wrong** – treat sales and earning money from your art as non-problematic (overlapping spheres). Money is earned, but economic benefit is restricted: because the participant uses these inappropriate discourses their work is less Art, so what is considered the appropriate price range is lower. Membership of higher status groups (social benefit) is less likely, thus reducing chances to learn the higher status discourses and interpretations. Exclusion from the higher groups also reduces chances of influencing those using the higher status separate spheres discourses so that they too see commercial discourses as acceptable and appropriate.

OR

**Get it right – a) avoid** talking about price and money, find pricing and sales awkward, use only separate spheres discourses, price high (enchanted prices) or

choose not to price (signalling that the object is Art, and therefore incommensurable), feel part of the group who 'get it' (social gain), but rarely make a sale (economic penalty).

OR

**b) If one's cultural is higher still**, that is, for participants who were very familiar with the higher status discourses used by Velthuis' (2005) gallery owners, one will be able to use the separate spheres discourses and mask, rather than reject, commerce. For these participants commercial activity can be achieved whilst status, group membership and economic capital is maintained or enhanced. Through collusion in the correctness and high status of their discourses of 'how it is done', this group of participants was able to achieve the 'necessary' de-contamination of money through shared interpretations of rituals of category change, whilst sustaining the construction of money and commerce as contaminating.

### ***Getting it right: the consequences***

Because of her knowledge that art should be what you have a passion for, rather than being made because you know it will sell (Romantic discourse, signalling membership of the 'artist' group), DK refused to make the type of work which galleries might sell, although she wants to earn her living from her art. Although DK is using a discourse which to her means that she is getting it right, other participants with a greater knowledge of high status 'how it is done' and therefore different group membership were able to produce two types of work, one which sold well, supporting the continuation of their art practice, and another type of work which is more experimental. As RM explained, the experimental work supported artistic reputation and demand for the cash-flow-generating less expensive more iterative work. That is, the iterative 'easier' work brought in buyers. Part of the artist's job, she explained, is to educate the buyers of iterative work so that they recognise the higher status of the experimental or "more challenging" pieces, and might in the future be willing to buy them.

Although middle class participants such as RM, FW, and RJC were able to benefit from ‘getting it right’ because they knew masking discourses, others like DK were economically constrained.

In another example of a negative economic effect of using the ‘right’ pricing discourse, for those who wish their work to be seen as ‘art’, particularly for middle-class participants, there is a tendency to reduce prices for ‘good homes’.

The recognition of the ‘meaning’ or implication of the buyer’s ‘good home’ discourses demonstrates that the pricers share that interpretive repertoire and signals shared group membership, but the recognition of ‘good home’ has an economic cost.

The ‘good home’ criteria appear to change depending on the artist’s actual or desired group membership: higher status artists (actual or desired position) were notably less likely to experience economic loss from this discourse, as what they consider a ‘good home’ requires the would-be buyer to show evidence of substantially greater cultural capital. They therefore rarely drop their prices: there were no ‘good home’ or “mates-rates” during the art trails from these artists.

Whereas as the “No mates-rates” artists charge and protect their high prices, high group aspirations may also have the opposite effect on choice of price. In one example a participant had had on consecutive years two of her pieces accepted in an internationally-recognised annual show in London. However, she did not feel her work was comparable to others in that show (which she constructed as a higher status group). As a direct result, she purposefully chose low prices, reflecting the lowly relationship to the elite group. Unusually within this context, she compares her work against national, rather than local, standards, and uses that pricing framework. Her choice of reference meant that her prices were far lower than the local norm for that type of work. Her group membership (aspiring member of nationally-recognised group of artists) affected her prices, and, like the work itself, sets her apart from her parochial peers. Her prices might have been higher if she had seen herself primarily as a notably able member of a more local group.



In another form of economic constraint through community membership, membership of the 'intelligentsia' community appears to influence pricers towards making unsellable work, or to refuse to work to gallery pressure for more pieces, or to prefer to sell their work to those who 'get it' – all of which have an economic cost. Unsellable work generates no money, galleries cannot sell what they do not have, and those who 'get it' tend to be in short supply, and seem to belong to a less affluent group who are less able and therefore less likely to buy work that requires space and 'art' settings.

Within the research context, those who are free to address the market commercially – i.e. craft makers – are also economically constrained, because if they know and accept their place in the hierarchy they can only choose relatively low prices compared to items judged to be 'art': "I'm only an illustrator" or "I'm more of a technician, not a creative", or "I'm only a photographer", so I price like this. They may sell in sufficient quantity to override the effect of lower prices, although the pricer may find that economic success is not sufficient to counteract the loss of artistic kudos, as PJ had discovered. Economic success, and economic success stemming from selling to the wrong sort of buyer ("Joe Public") may in fact contribute to the loss of art kudos, an interpretation visible in for example the widespread media criticisms of work by Jack Vettriano, which always seem to include reference to the fact that his work sells particularly well, particularly to those with little art knowledge – "your granny will have a print of one".

"The Singing Butler is the most printed [picture] in the UK."

"People like Ferguson [a football manager, not a renowned art critic] own one"

"[Vettriano] gets as much from the royalties from the prints as he does from the sale of actual pictures."

"That his work is on an M&S [biscuit] tin 'says it all', one of my friends said to me."

(BBC Radio Bristol)

Getting it right, in terms of rejecting 'commercial' popular work such as Vettriano's, appears to be very important for some within the artworld, and may come at a cost – for example, the President of the RWA recently resigned over this matter.

According to the BBC, he stated during his resignation speech that "it would be "foolish" to believe the only way of bringing visitors in was to put populist art on, and that he was resigning in protest at the way he said the artistic direction of the academy was going.

(Source: BBC Bristol, 29th June 2011, <http://www.bbc.co.uk/news/uk-england-bristol-13955024>, accessed 19th Sept 2011).

Although pricers may lose out economically from their construals of appropriate and inappropriate discourses, which is closely linked to categorisation of the art object, buyer's construals of getting it right may have positive economic benefits for the pricer. For example, when I asked an upper middle class buyer whether he had negotiated a lower price for the object he had just bought he recoiled from me, appalled by my bad manners and the suggestion that he would behave in that inappropriately commercial way. Buyers such as these are unlikely to ask for a price reduction, so if the artist can resist the urge to offer one, the sale may proceed at the asking price.

### ***Getting it wrong:***

Within the data there were instances in which a participant clearly lost out economically and/or socially because they were seen to have 'got it wrong' by someone. For example, DK lost a significant sale because she had used red Sale stickers – an overtly commercial discourse more suited to groceries - which tainted the viewers' categorisation of the object. Another artist who had used similar stickers was gradually pushed into less and less desirable trail venues by the organisers. In a third example an artist reported that in a recent group show one of the other artists had wanted to use what was seen as a highly undesirable Buy One Get One Free pricing/ticketing approach

From the data one can see how economic effects are linked to the social: by using the wrong discourse and so showing that they are ‘not like us’, artists such as X and LM, and the artists who used red stickers or ‘Buy One Get One Free’ posters are far less likely to be included in future group shows organised by the higher status group of people they had alienated. Group shows are opportunities to sell with lower costs than a solo show, and with more visitors. That is, by getting it wrong in DW/FW’s eyes because they interpret the work as being painted to sell (undesirable), rather than from the soul (desirable), X may have reduced the likelihood that DW/FW (and their friends) will buy her work, she has lost some opportunities to sell to the public, and she has lost some support for her application for membership of the elite bourgeois art institute.

However, interpretations and categorisations of discourses of price depend on the recipient as well as the sender, and on interpretation of the context. They are therefore fluid and can be renegotiated. That is, getting it right and getting it wrong and the consequences are not ‘nature’, they are socially agreed and therefore contestable. Also, although group membership may impose constraints and punish non-conformity, there are other social groups that may be constructed as equally or more desirable, in which the participant and their pricing discourse may be welcome.

## **CHAPTER 9 REFLECTION – limitations of the research, and suggestions for future work**

### **Introduction**

As discussed in the Methodology section, ethnographic research, as with all research methodologies, is necessarily subject to a number of limitations. These vary from the philosophical (Does interpretive situated knowledge count as knowledge or data?), to the methodological problems of participant/observer data collection and interpretive analysis. There are also necessary limitations inherent in choosing particular theoretical constructs and lenses over others. However, the aim of the research is to provide a description and critical analysis of rich data of the reality of pricing as a practice in order to broaden received notions of prices, how they come to be as they are, and how discourses of price are used.

### **9.1 Methodological limitations**

#### **Methodological approach**

As discussed in the Methodology section, small-sample interpretive qualitative data and analysis may be viewed as different from or less useful than positivist ‘objective’ knowledge or knowledge gained from theoretical cogitation. However, in using an ethnographic methodology I am following in the footsteps of senior figures within both the marketing canon such as Douglas, Arnould, Thompson, Elliott and Shankar, and within the socio-economic canon, such as Zelizer and MacKenzie. As suggested by these key users the limitations of the research methodology are outweighed by the insights gained from thick descriptions of cultural and social behaviours.

Importantly, reproducibility and expansion are not expected – instead the research is offered as a guide, not a detailed map or predictive tool. A close ethnographic look at a particular site tells a more open-ended, complex and ambiguous story than macro or micro economic theories of price are able or expected to do, and should be considered a useful companion to, not a replacement for, economic theory.

The data limitations within this research are those common to much ethnographic research: the research involved only one researcher, with a corollary restriction in opportunities for data collection (although this was mitigated by the length of time and depth and breadth of involvement), and the increased likelihood of idiosyncratic collection and analysis. As with any ethnographic research there is a danger of overvaluation of personal experience as a source of ‘real’ and ‘authentic’ knowledge. I therefore sought to ground personal opinions and subjective feelings through a long period of immersion in the context which covered a wide range of data-collection opportunities. I also regularly tested and triangulated my understanding of both emic and etic meaning-making through conversations with participants and academics. Despite this, there will have been unconscious prejudices and cultural barriers within the choice of data and the interpretation.

As with other ethnographic research, the context is small and the data historically and culturally specific, and therefore difficult to generalize from. However, working within the traditions of CCT and the strand of socio-economics on which I build, the aim was not to provide a theoretical model of generalized ideal behaviour but rather to produce a thick (Elliott and Jankel-Elliott 2003) or rich description of the actual practices of pricers, developed through ‘deep hanging out’, in order to add to the extant body of literature on price and pricing.

## **Theoretical lens**

A necessary theoretical limitation is that this research has to focus on a relatively small facet of what is a complex body of data, using a restricted theoretical lens. I have concentrated on the social construction of categories of money and object and

how these are involved in pricing practice, and ignored other facets, constructs and literatures which could also be useful in the analysis of what are complex dialogical behaviours.

The necessary process of narrowing the focus of the research does not mean that other aspects were not present within the discourses, nor does it mean that I consider them to be unimportant. By concentrating on the constructs of money, object and commensuration, related facets of pricing discourse such as identity construction, enchantment, gift-giving, value and meaning (such as through an in-depth semiotic examination of how the meanings within discourses of price are made) were unexplored. Social class and power are included, and play an important element of the research findings, and I suspect that much would be gained from a more detailed examination of these aspects. This is discussed briefly in the section Future Work.

## Summary

Price is a topic traditionally seen as the purview of economics and marketing. Extant theories from these disciplines are important, but may to an extent be seen to be performative rather than reflective. That is, marketing price theories such as skimming or penetration are, as MacKenzie (2006) put it, an engine, not a camera – by describing consumer responses and understandings of price they initially shape, rather than describe, pricing practice.

The type of knowledge of money and price I derive from my ethnographic data is limited, but whilst having an ‘engine’ element (in that I hope it will provoke pricers to examine their interpretive repertoire and assumptions), it does so by being reflective of pricing as actual practice. It contributes to more abstracted consumer-focussed micro money research such as Thaler’s laboratory-based studies of individuals’ mental accounting.

My research draws on literature from both marketing and socio-economics. It shares the philosophical base used by Consumer Culture Theory and socio-economic theorists such as Zelizer, Venkatesh and Douglas in its emphasis on the usefulness of context-specific research and thick descriptions of practice. It extends the literature relating to Bourdieu and social practices by showing that within pricing, as within consumption, participants used a range of differing position-taking strategies in differing contexts, and that there was considerable variation in discourses around pricing in relation to the co-existence of economic and symbolic capital. The aim of the research was to gain a rich understanding of actual pricing practice and the role money categorisations play in pricing through examination of a specific context, rather than to generate a generalizable ‘this is so’. However, my pilot studies in other pricing contexts suggest that categorisations of money and pricing discourse as more or less appropriate occur in contexts beyond the artworld, and that here too they are shaped by and shape social position. More research is required.

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## **9.2 Suggestions for future work**

Whilst this research does not draw explicitly on semiotic theory, it, like the literature it draws on and other CCT work, shares a number of assumption and interests, such as the importance of context to meaning-making and interpretation, sliding signification, and the use of meaning-making within social relationships. Future work may, but need not necessarily, build on semiotic theory.

Future research could usefully examine the two main findings of my research: first, that money meanings matter in pricing, in that the ways in which money is categorised informs pricing practice, and that this varies; secondly, that discourses of money and price are informed by ‘know that’ and ‘know how’, and are a form of cultural capital (which is part of the class condition). Use of particular discourses of price is both informed by and informs others of one’s group membership and social position.

Here I group suggestions for future research into three areas: Money meaning-making and group membership; Money meaning-making as learnt practice, to include an examination of the money meaning-making interface between pricer/marketer and consumer; Other areas for further research.

### **Money meanings and group membership:**

### **Comparative examination of pricing discourses within other fields**

I can only speculate to what extent my findings from an examination of a short chain artworld context can be generalised to other contexts. However, this study and the



small amount of previously published literature addressing pricing as practice suggests that it is a more difficult and complex matter than most marketing or economic literature suggests. A pilot study of pricing discourses used in other fields, which involved conversations with carpenters, electricians, plumbers, burlesque dancers, teachers, intellectual property developers, independent financial advisors, business consultants and lawyers suggests that, in a similar way to the artists in the primary study, within these varied pricing contexts pricing practice is informed by understandings of desirable ‘how it is done around here’ discourses, and this includes the use of money distinctions. Importantly, many participants appeared to feel that there *was* a correct way that pricing *should* be done, but that they did not know it. As a director of an international organisation told me, he was “Not sure there is enough substance [to the the organisation’s pricing approach] for examination, but [I] can try to tell you more!”.

My preliminary examination of discourses in other pricing contexts suggests that the study of artworld pricing could usefully be extended and developed through examination of pricing discourses in other fields, in order to increase understanding of the dialogical relationship between social position and pricing discourse, and the potential importance of money distinctions within this.

### **Comparison with other short-chain pricers**

I suggest that it would be useful to compare my research findings with a study of pricers in other similar short-chain markets but with different categories of object. This would include an examination of the social purpose of pricing discourses and the role money-meanings plays in those discourses.

It would be useful to compare the art pricing discourses of this study with discourses in other short-chain markets where what is being priced is constructed as a similarly ‘incomparable’, such as legal representation, or business consultancy. Here, as with

art, the item being priced is constructed as unique yet can be seen as an example of a larger category.

These findings could be compared with an examination of pricing discourses within short-chain markets involving more ‘commodity’ products, e.g. the discourses of vegetable sellers in farm shops and farmers’ markets, or discourses of salesmen in used-car dealerships.

### **Comparison by organisation size**

It is possible that the importance and perhaps variation of money meanings may vary with distance between the pricer and the transaction, and the extent to which the pricer’s practice is shaped by organisational rules. My study examined participants who were pricing their own work for direct sale to customers, when the money potentially earned was very real, and there were no organisational pricing rules, only the participants’ understandings of ‘how it is done’. I suggest it would be useful to compare my findings with a study of pricing discourses in large institutions where the money associated with that pricing may be, for the pricers, purely conceptual rather than tangible, and the earmarking of the money may be determined by institutional and accountancy norms. To dig more deeply, it would be useful to compare mass FMCG retail pricing discourses to B2B pricing discourses. From preliminary discussions with a small number of B2B pricers, categorisation of source (here the object, the customer and the customer’s ‘pot’), and the earmarking (that is the categorisation of pot which the money would be going into, i.e. the pricer’s pot) often does inform pricing practice, because of assumptions about what particular money categories mean.

## **Money meanings and pricing as learnt practices**

This study strongly suggests that money meanings and price-discourse meanings are a learnt, rather than natural or obvious practice. I suggest that a focussed exploration of participants' attributions for particular money practices and meanings would be particularly fruitful.

Although in this study it was possible to explore meaning-making apprenticeships and some key sources of 'how it is done', this was not the focus of the interviews. Zelizer's research gives many examples of sources of money-related etiquette but there is scope for much further work in both domestic and commercial contexts. That is, whereas MacKenzie's (2006) study discusses workplace networks as conduits of 'how it is done', my study suggests that it would also be important to systematically collect data related to social class and cultural capital, such as level of education of participants and their parents, as cultural capital seems to inform the likelihood of knowing and using particular sources of information and discourse.

As well as focussing on pricer's meaning-making, a deeper exploration of the co-creation of meanings of price and money across the pricer/consumer divide would be of particular interest, as research hitherto has emphasised the producer-producer and consumer-consumer meaning-making relationships. This exploration could be through a detailed conversation analysis showing patterns of interaction including order, structure and sequence, although this level of examination would necessarily constrain the amount of data included in the study.

Although within this price-discourse study I was able to observe some instances of price-related conversations between pricer and consumer, and was involved in a few, instances of conversations between marketer/pricer and customer could be specifically sought. Material artefacts such as advertisements and newspaper articles could also be used to promote discussion. Given the fluidity of meaning, it is unlikely that there is one 'truth' regarding the source of particular interpretations, and any discussion which examines something as complex as logics and interpretations may involve a false narrowing and an element of consideration of

desired response. However this art pricing research suggests that participants may choose specific attributions as a form of desirable discourse, and this in itself is of interest when considering meaning-making as a social construct rather than inherent quality.

## **Money distinctions as desirable discourse vs. as actual practice**

Although anthropologists have provided useful insights into the differentiation of primitive monies, there is still little research regarding modern money practices (Zelizer 1994, p.21). There is therefore much scope for research regarding the ‘what is said’ about contemporary money practices, and the ‘what is done’.

I suggest that it would be useful and interesting to compare a detailed examination of contemporary Western money practices with Zelizer’s historical findings based on secondary data and Venkatesh’s ethnographic study of the money practices of those living in the hard circumstances of a Chicago ghetto. Although money handling may be difficult to observe as it is currently construed to be a private practice, and may be especially hard to observe where cash plays a smaller part in overall income/expenditure, research participants are likely to use material artefacts which would indicate actual practice, such as bank statements, spread-sheets, other paper-based accounting practices, and varied storage receptacles such as different bank accounts and piggy banks or jars. From a discussion with participants about these it might be possible to see evidence of situated real-money practices to compare with Thaler’s (2008 [1985]) lab-based mental-accounting research and Venkatesh’s (2006) extreme-context ethnographic data.

Additionally, it would be interesting to see whether in the current credit-based Western economy the majority of money categorisation/pot-allocation is an abstract

and/or retrospective form of accounting rather than the more physical linear source-up earmarking suggested by much of Zelizer's work. Participants may use a discourse which suggests a 'modern rational approach to money management' (Zelizer 1994, p.119), perhaps in order to create an impression of order and control over the degree of liquidity (Douglas 1982, p.74), but this art pricing study suggests that the choice of discourses used to create that impression would vary, that other impressions might be preferred, and that the discourses used may be very different from actual money-management practice.

## Other areas

Money-meanings and pricing is an under-researched and potentially very rich vein for further study, and therefore there are many aspects other than those covered above which could be very useful avenues for further research. I discuss these below briefly.

**Money-meanings and identity:** This is closely linked to the group membership/social positioning and relational uses of money distinctions discussed in my research, but would draw on a different literature within the CCT canon, such as the growing body of work to do with tribes. This literature has so far concentrated on the idea that identity may be constructed and signalled through particular consumption practices which are associated with tribal membership, but my research suggests that identity and tribal membership may also be constructed through production/pricing practices.

The **moral dimension** found within the art pricing discourses could be usefully explored in other pricing contexts, building on the sacred/profane money distinction suggested by Belk and Wallendorf (1990), Zelizer (1994) and Hornborg (1999). As discussed in Chapter 7, within the pilot study I found a carpenter, plumber, electrician and two lawyers who rejected avaricious "opaque" pricing, preferring to

construct themselves as “not like that”. These findings suggest that pricers in other fields may use discourses which indicate a choice of moral high ground and associated group membership over economic rationale or economic advantage.

Within the research data there were suggestions that **gift-giving and power** could be significant elements within choice of price, although this is only lightly touched on here (in section 6.1.1, see also Key Terms section on Exchange). Whereas Zelizer’s research focuses on the etiquette of giving money as a gift, it would be useful to also consider the choice of price as a gift especially in cases where the price is reduced or when a priced object given rather than sold. The data collected in this research suggests that Baudrillard’s observation that ‘power belongs to the one who can give and cannot be repaid’ (Baudrillard 1981, p.170) may prove an insightful lens for exploring pricing practice and money handling. Sadly there was not scope within the current research to discuss the gift literature nor the social positioning and relational use of price discounts, but there was sufficient data to suggest that it would be a fascinating avenue to explore in this and other pricing contexts.

## **Summary**

The research discussed in this thesis is a small step in expanding knowledge of contemporary Western pricing and money practices. In the iterative hermeneutic process of moving between data collection, analysis and theory I considered a variety of alternative theoretical lenses which could be applied to the data to give alternative interpretations. This ranged from considering producers as tribes to a consideration of the concept of enchantment, and how producers, as much as consumers, may engage with markets through a willingness to create new realities and identities through suspension of disbelief. That the focus is on applying Zelizer’s concept of money distinctions to pricing is a reflection of the richness of the insights gained from this particular approach. As can be seen from my suggestions for future work above, there is still much that could be done.

The social and relational foundations and uses of category distinctions of money is what I found (and still find) fascinating given the widespread acceptance of the assumption that pricers treat money as neutral. Many of us assume that all pricers have a range of logics or interpretive repertoires similar to the ones we have been taught by university business schools and have absorbed through experience. It is clear that pricing and money, key elements of market exchanges, are rather more varied and complex than that, and warrant close attention.

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## **CHAPTER 10 CONCLUSION: Pricing is a learnt and meaning-full socially embedded practice.**

Rather than treating price as the outcome of supply and demand, or costs-plus-profit, or examining consumer responses to prices, which are areas which have been thoroughly (but far from exhaustively) investigated in the existing price literature, the aim of this research was to explore how pricers respond to and approach pricing. To that end, this study uses ethnographic methodology and examines actual, or substantive, practices of pricing.

Working from the premise that price and pricing discourses are chosen, and that the choice matters, this research proposes an alternative model of pricing. In this alternative model price is construed as involving learnt categorisation of object, money, and commensurative options. I draw on Consumer Culture Theory (CCT) insights re the social construction and social use of the meanings of objects, and Zelizer's insights re the social meaning of money (a type of object), but turn the focus of research from consumers towards producers and their meaning-making.

The research context (the Bristol Art Trails) was particularly useful in the examination of differences and similarities in pricing practice in that whereas in many pricing contexts the pricing practices are shaped by organisational protocols and are therefore likely to show a high degree of homogeneity, pricers in the research context were not constrained or enabled in this way. Also, the context allowed deep and extended access to pricers with a wide range of socio-demographic backgrounds, and a range of experience of the field. In addition, the choice of what might be thought of as an extreme type of pricing context made differences in pricing discourses more visible than they might have been in a more mainstream pricing context. My pilot study of pricing discourses in a wide range of other fields shows that insights developed from this artworld field and context usefully point towards variation and social uses of pricing discourses connected with other types of object and pricing context.

In the three sub-sections below I briefly revisit the main contributions:

The first is that through a sociological analysis of thick ethnographic data this research shows that pricing is a socially embedded meaning-full action, informed by and used to signal social position and group membership. In doing so, it extends the marketing literature relating to Bourdieu and social practices by showing that variation in position-taking strategies is not restricted to consumers. As such it is a small but important counterbalance to the largely abstracted and economically-maximising construal of pricing within the existing literature.

The second contribution is to research regarding money meanings: this study shows that pricers use varied interpretations of money, and that money-meanings play a key part in pricing discourses. This adds to the money literature by moving beyond consumer's money meaning-making to focus on producer meaning-making, and in so doing answers calls within the marketing literature for research which considers production-side meaning-making. The research findings extend Zelizer's (1994) important work on the social meaning of money in domestic contexts by showing that relational uses of meanings of money also matter in pricing practice, and that they affect pricing choice.

The third contribution is the analysis of pricing as learnt practice. This involves a consideration of opportunities to learn, as the data shows varied sources of pricing expertise and validation. The findings show the importance of social position to choice of discourse of price, because social position informs range of learning opportunities and degree of interest/acceptance of specific interpretive repertoires. That is, because pricing involves the categorisation of object, money, and commensurative practice, the social origin of categorisation mechanisms (Bourdieu 1984) matters in the social regulation of discourses of price.

## 10.1 Pricing as socio-economic action

There has been a shift in how we understand market practices in that rather than assuming economic rationale, there has been growing interest in micro-level examination of cultural and social aspects of market practices using ethnographic methodology (Arnould and Thompson 2005). Although the focus so far within the marketing literature has been largely on examining consumption behaviours, there is increasing awareness of the need to consider the cultural and social aspects of the supply-side of the transaction. Whereas the vast bulk of marketing price research is focussed on consumer interpretations of price, this research contributes to the growing calls to consider supply-side interpretations and practices and their contribution to market-place meaning-making (Peñaloza and Venkatesh 2006).

Whereas price research has concentrated on consumer behaviours, economic maximisation and abstracted macro theory, this research finds that pricing, like consumption, is practiced by embedded economic actors, and, like consumption, is eminently social, relational, and active. That is, rather than the market happening separately from social, cultural and relational practices, there is a dyadic relationship between the market and society. Discourses of price are shaped by extant social structures, but are also potentially a means to affect change in social structures. That is, rather than being a purely economic activity, this research suggests that pricing is political ‘in the broad sense of relations, assumptions, and contests pertaining to power’ (Appadurai 1986, p.57).

The study supports and examines in more depth the construal of commensuration as a social process and a mode of power (Espeland and Stevens 1998). It finds that the commensurative process involves sometimes competing constructions of the object being priced and the associated money. It also involves a consideration of the ‘appropriateness’ of comparing one with the other, and the ability to successfully invoke one’s own categorisations and interpretation of appropriateness as valid.

Within the research data what is considered to be an appropriate pricing discourse involves a consideration of what category object (broadly, art or craft) is being compared with what category money, and how that specific commensurative process 'should' be treated in that context.

Because meanings are learnt, not an inherent property of the object, money, commensurative process or discourse, pricing discourses are used and interpreted as a signal of cultural capital (Bourdieu 1984) and social group. That is, pricing discourses are important because they do something, and are sites of power. The uneven distribution of knowledge about what objects (and here I include money) and discourses 'should' represent matters because power-relations are produced, maintained and challenged through particular versions.

The research shows that rather than pricers behaving as atomic economic maximisers, discourses of price are shaped by learnt, shared, and socially important money categorisations and understandings of corollary rules which reflect and are used in social positioning. Categorisations and ideas of appropriateness appear to be part of the 'moral economy that stands behind the objective economy' (Kopytoff 1986, p.64). That is, there are learnt and varied ideas of what are 'right' or 'wrong' ways of doing pricing for different categories of object. These involve learnt object categorisation and an understanding of the object hierarchy (here art and craft, and that art has higher status than craft), and also learnt and varied ideas of money categories, such as clean and dirty money, or to push it further, 'sacred' or 'profane' money (Belk and Wallendorf 1990). This research shows that interpretation of the effect of money categorisation on the categorisation of object and on perception of the social position of the speaker is learnt, not nature, and matters.

Although meaning-making is fluid rather than fixed it both represents and is used to indicate group membership. How one construes a group and what one thinks constitutes signals of membership depends on prior knowledge of established norms, and knowing that discourses of price may be read as signals of social group and rank, and in what way. What is talked about and the way in which it is talked about, that

is, the means and style of expression employed, are all part of social sifting. Discourses of price and the integral issues of object and money categorisation are part of “the way you guys like to sort people out”, as one participant put it.

This study shows that the social uses of discourses of price may mean, as it does in Velthuis’ (2005) study of art gallery owners, that a participant’s display of ‘know that’ and ‘know how’ within pricing discourses is not necessarily focussed on economic maximisation: pricing discourses are also to do with cultural capital, distancing oneself from others who “don’t get it”, demonstrating and teaching ‘the correct way to do it’, and suggesting that one belongs in a high-status group.

Importantly, as suggested by a sociological reading of Morton and Podolny’s (2002) wine-pricing study, this positioning use of pricing discourses occurs beyond the art research context. As a lawyer with what seemed to me an unexpectedly non-maximising pricing structure told me, “this is the rate all successful and busy solicitors (like me) charge.”

Within the data, as in the legal example above, interpretive repertoires regarding appropriateness and associated group membership can be seen to restrict, as well as enable, pricing options and economic success. For example, whilst the elite used discourses which enabled economic gain through the pricing and selling of art, without loss of social status or degradation of object status, most participants were restricted by their understandings of ‘how it is done’. Some participants were planning to trade their economic ‘craft’ success for the chance to be “taken more seriously” by experts (such as competition judges and academics), by changing the type of work they made, even though this does not make economic sense. They acknowledge the illogicality: “there’s lots of people, (...) at the top of their field, but would kill to make as much money [as I do]....”, but are constrained by the ‘how it is done’ rules set by the elite.

These participants’ willingness to exchange their substantial economic success for social kudos flies in the face of economic theory, but their actions support the

hypothesis that pricing is a socially embedded practice. By accepting (however reluctantly) the need to conform to the dominant view rather than challenge it, these participants are involved in the perpetuation of a system of meanings in which they lose out economically whilst others already in a higher social and economic position continue to benefit and continue to set the rules by which they benefit.

This research shows that pricing can be seen to be informed by socially-constructed ideas of what are correct and desirable pricing discourses, in much the same way as Bourdieu's research showed that consumption discourses are used as a source and reflection of distinction. Whereas one might assume that pricers would use the most economically-beneficial discourses, within the research context this was rarely the case. Instead, as was also suggested in the study of hobbyist wine pricers (Morton and Podolny 2002), the social benefits of certain discourses were seen to outweigh economic concerns, even and especially amongst those who were arguably most in need of economic capital.

## **10.2 Money meanings and pricing**

The research proposes a model of pricing in which rather than being the outcome of an abstracted economic behaviour, an outward-facing signalling tool, or the outcome of a theoretical model of simple commodity markets, price is construed as the outcome of pricing, an embedded and therefore social practice, which involves a consideration of the object, the money, and the 'appropriate' commensurative rules.

Consumers' distinctions between material possessions have been a rich research area within marketing, especially Consumer Culture Theory. This research shows that pricers similarly create distinctions between objects, categories of money, and different commensurative practices, and use these distinctions in relational practices.

Consumers' money category distinctions have proved an exciting and useful area of research, with implications for pricing recognised by theorists (Thaler 2008 [1985]) and marketing practitioners (Welch 2010). However, previously published literature has largely neglected to consider pricers' money category distinctions. Instead, within the price and pricing literature 'modern' money has been generally treated as neutral element – a dollar is a dollar is a dollar. By focussing on the meanings of money within the discourses of those doing pricing this thesis builds on and contributes to both the price literature and the emerging money research trajectory in which money is increasingly being examined as a cultural object (Baker and Jimerson 1992).

This research supports the proposal that money meanings, including the dominant assumption of the neutrality of money, are socially constructed: they are not 'true', commonsense or 'nature'. Importantly, the research shows that pricers may hold varied understandings of pricing etiquette associated with different money and object categories, and in doing so extends the literature relating to Bourdieu and the uses of meanings of consumption objects and consumption practices. Within the research data meanings of money and price are used to create social distinction, and this meaning-making matters in that it affects pricing choices.

My research suggests that it may therefore be useful for marketers and pricers to consider their *own* money and pricing category distinctions and the meanings they associate with those categories, as it appears that pricers' received knowledge of pricing 'how it is done' has a significant effect on pricing practice.

Unlike previously published price research, in this study pricers' categorisation of money is seen to play a significant part in pricers' discourses. Whereas price theory to date assumes money to be neutral and fungible and that pricers treat money in this way, this research contributes to the small but growing body of sociological money research (Baker and Jimerson 1992). It does so by showing that pricers use a variety of money meanings and that these influence pricing choice. This research builds on and supports Zelizer's (1994) proposal that money is categorised by source (here

object and buyer), form, holder and earmarking, and that these categorisations are interlinked. That is, pricing involves a dialogical interpretation of a particular category of object with a particular category of money. Importantly, money is shown to be treated by pricers as far from neutral, equal, or meaningless. This is a significant addition to the price literature.

The research also supports and extends Zelizer's findings and adds to the price literature by showing that the money meanings within discourses of price are used within social relationships. This is in contrast to the widely-held view of money as de-personalising. Simmel (1978 [1907] (1907)) suggested that although obligations between people still exist in a money economy, they are impersonal or held at bay by the use of money as a means of exchange, rather than an onerous and constricting set of personal obligations as is found in more primitive societies: 'Money as abstraction is understood by Simmel to be the root of impersonal relations between people' (Miller 1987). However, research by Zelizer (1994) and Douglas (1982) shows that rather than eroding personal relations, money has social meanings and is used within rather than to negate relations between people. Whereas their research focusses primarily on consumers, this study shows that socially constructed meanings of money are included within and significantly (but not necessarily predictably) inform pricers' discourses of price. The research shows that the social foundations and relational uses of money meanings extend beyond consumption behaviours: money, and that it has meanings and relational uses, matters in pricing practice.

Although discourses of price have relational uses, these are not 'nature' or inherent properties of the discourses. The research data show that meanings of discourses of price are learnt, and open to challenge. Importantly, perceived legitimacy of particular interpretations depends upon the reader and their interpretive repertoire, as well as on the writer and their interpretive repertoire. Through their different interpretation of money meanings, the research participants and sources constructed as experts demonstrated that object and money meanings are not fixed immutable



truths. Instead, there are multiple truths, and multiple constructions of the legitimating hierarchy.

The research data was collected from a group of participants with a range of socio-economic backgrounds, which allowed an examination of the connection between social position and money categorisations/meanings. This enabled an exploration of the link between money source and earmarking suggested by Zelizer (1994) which was un-supported in Venkatesh's (2006) study of money practices in hard circumstances. The data in my study suggest that whereas source and earmarking *are* frequently intertwined (for example as a ritual of category change), as expected by Zelizer, this is a learnt socially-desirable discourse, rather than a predictable, necessary, or actual-practice connection. Whether participants use discourses which suggest a link between source (here the priced object) and earmarking (categorisation by what it will be spent on) appears to depend on knowledge of 'how it is done', rather than necessarily a reflection of actual practice.

The choice of pricing approach and money categorisation can be seen to be underpinned by varied interpretations of what money means within the pricing and discourse context, and has a direct effect on prices chosen. Money-categorisation rituals were seen to be considered by many but not all pricers, 'experts', peers and buyers to be important in determining whether the object's art category is supported, the higher art price supported, and whether the sale goes ahead. Within the data there were examples where using the wrong discourse, such as the wrong earmarking, could be detrimental to sales and social position. There were also instances where getting it wrong in the 'experts' view was not detrimental to sales, as the pricer had 'got it right' in the buyers' view. However, 'getting it wrong' in the 'experts' view was shown to potentially have social and economic repercussions in the longer term.

Importantly, within the data the meanings of money category, object category and price are determined through a dialogical relationship in which each element informs and is informed by the meaning of the others, and is context-specific. Ideas of

appropriate prices and pricing discourses vary with interpretation of category of object and the associated money, and, importantly, interpretations are learnt, not 'nature'.

### **10.3 Pricing as learnt practice: Apprenticeship and sources of expertise**

Whereas the choice of monetary price is often talked of as being 'generated by the process of exchange', which suggests the supply and demand model of pricing, it is also 'knowledge about saleability – and other subjective preferences and valuations' (Horwitz 1992) which is generated in a wider process of social exchange. In this research pricing is construed as a socially embedded economic action performed by socialised people, rather than as an individualistic abstracted economic calculation or the outcome of aggregated supply and demand. Whereas much of the prior literature assumes economic rationale and focusses on consumer understandings of price, this study supports findings suggested by prior research in which social uses and understandings of 'how it is done' appear to both constrain and enable pricing practice (Espeland and Stevens 1998; Morton and Podolny 2002; Velthuis 2005).

Although many pricers within the research context and pilot study treated 'how to price' as obvious, logical or formulaic, the data show that how to price is learnt, and therefore what is construed as 'obvious' may also be construed as 'falsely obvious' (Barthes 1972), in that choice is shaped by a particular interpretive repertoire of 'the correct way for someone like me to price an object like this in a context like this'. Bourdieu (1984) suggested that learning and interpretations of codes and practices are mostly unconscious acts, and depend to a large extent on upbringing. That is, interpretations are (as Barthes said) products of history, and are tightly tied to

context and ‘the class condition’. The parallels discovered in this study between the considerable variation in the content and uses of discourse of price and those of consumption discourses in the literature relating to Bourdieu and social practices is a useful contribution to both the CCT literature and the pricing literature, and helps to explain why for someone from outside a pricing context the ‘how it is done’ may seem peculiar, irrational, and an indicator of different social group.

This alternative, critical interpretation of the ‘how it is done’ is important because it highlights the assumptions of both the insider and the outsider, and the fact that assumptions are learnt. The data shows that differences in interpretation occur because the outsider has a different interpretive repertoire and set of assumptions, to those used by the pricer. Sharing codes and agreeing with the pricing logic makes one an ‘insider’, a member of the group who ‘get it’; using different codes betrays one as an ‘outsider’. Importantly, the data show that even when pricing (which is generally construed as motivated by individualistic economic maximisation) it may be more desirable to demonstrate shared knowledge of ‘how it is done’ than it is to maximise economic gain. That is, collusion in ‘how to do price’ and meaning-making may be considered a better option than contention.

Because the categorisations and associated meanings within discourses of price are learnt rather than nature or inherent properties of object, money, and commensuration, pricers’ categorisations and meanings both reflect and shape social position – as participants pointed out, the way money is interpreted and the choice of pricing discourses reflect “family background”, and are used as “part of the way you guys like to sort people out”.

Within the art trail research context what is considered an appropriate pricing discourse involves distinctions between degrees of overlap or separation between the spheres of art and commerce, and the category of object being priced. The data show that these money and object distinctions play an important part in discourses of price, and are used by participants to position themselves and others, and are therefore a source of power. However, they only become a source of power through the shared

understanding that one interpretation has a higher status (is more correct or appropriate in a particular context) than another. As the meaning of a pricing discourse is not an inherent property of the discourse, the pricer's interpretation, and the interpretation of the interpretation by other parties is socially constructed, taught and learnt. Although there is a theoretically unlimited diversity and multiplicity of meanings, meanings are sufficiently shared for society to function, and for pricing discourses to be used an important indicator of social group. Interpretations of the social meaning of pricing discourse within a particular context may be influenced, and it is this influence which is both a reflection of power and a source of power.

Within the data participants referred to a variety of sources of artworld expertise, such as critics and artists on television, radio and in newspapers, national and local galleries, lecturers and tutors, family, and local peers, all of whom are involved in complex competition and collaboration re taste and distinction. Importantly, whether a source of pricing expertise was understood to be an expert and whether the discourses was interpreted as an example of getting it right or getting it wrong depended on the reader as well as the writer of the message, because all texts are writerly texts (Barthes 1972). That is, meaning is created as much by the reader as by the writer. This means that although a participant's pricing discourse may be interpreted as 'getting it right' by some, others may interpret it as 'getting it wrong'. Within the data interpretation of pricing discourses is used as a source of power and social positioning, and may have economic consequences.

Consider the example from the research data of the discussion surrounding the use of a VISA machine. The unusually public example of competition and collaboration in determining the meaning of that pricing discourse was a useful demonstration of the learnt and contested nature of the meanings of money and price, the social uses of pricing discourses, and the possibility of multiple meanings, fluidity and change.

This example demonstrates the important point that one should not assume that there is only one desirable pricing discourse which the participants could and should learn: there is no one 'right' or 'logical' way to do pricing, but there are ways which might

be *constructed* as more right or logical. Within the research data, there were high-profile disagreements about how money and the object being priced ‘should’ be categorised, and what commensurative discourse was therefore appropriate.

Whereas the gallery owners in Velthuis’ (2005) study had a very homogenous interpretive repertoire, which is reflected in much of the previously published art-pricing research and mass media, my study suggests greater variation is possible. The data in my study was gathered from a wider cross-section of participants, and show that there are multiple repertoires and multiple sources of expertise teaching those alternative repertoires, who jostle for positions of authority. The research data show that how a discourse is interpreted, and whether the discourse is understood as appropriate or inappropriate, higher status or lower status, depends on knowledge of precedent and choice of supporting sources of expertise, and an awareness of the potential social impact of choosing to use one over another.

Whilst support for the high status of particular interpretations may be called upon from higher-status sources outside the local context, such as the lecturer’s reference to Adorno, interpretations may also be challenged by outside sources, as in the example of the elevation of ceramics to fine art by the 2003 Turner Prize judges, demonstrating that the interpretive rules provided by ‘experts’ may vary with time and context, and are not fixed. Indeed, as Bourdieu (1984) pointed out, the on-going variation is important in that it is a means of maintaining the distinction between the higher classes and those who seek to imitate them. As suggested by Appadurai (1986, p.31), ‘élite tastes, in general, have this “turnstile” function, selecting from exogenous possibilities and then providing models, as well as direct political controls for internal tastes and production.’

The research data shows that because pricing is a learnt practice, apprenticeship choices matter. Because interpretation is learnt, being able to construct oneself as an authoritative source of ‘how it is done’ is both a source and a reflection of power and social position. A pricer’s choice of exemplar may be a source of further power for both the apprentice and the expert, in a form of virtuous spiral, or may, if neither

apprentice nor their chosen 'expert' have sufficient status within the field of discourse context, have the opposite effect.

## **10.4 Pricing and social position**

Enriching Thaler's (2008 [1985]) suggestion that money categorisations matter, and will have shared, predictable effects, Zelizer's (1994) work on the social meaning of money shows that money is variably categorised by source, earmarking, form and holder, and the categories have varied meanings and varied consequences. Zelizer demonstrated that money practices are shaped by and therefore signal social relationships, social position, social similarities, and differences.

This research shows that the social meaning of money extends beyond consumption practices into modern pricing practices. The body of data collected in this research shows that how pricers categorise object and money and how they interpret those categorisations and the effects of using / not using particular category-linked behaviours, is socially-informed and has social and relational uses. Whilst recognising the limitations of the data collection methodology, in that it is not possible to collect the full range of discourses within the context, only those that participants chose to use or reference, the data is useful in that it includes participants with a variety of socio-economic backgrounds. This data strongly suggest that discourses of money, object and price are both informed by and inform interpretation of the user's cultural capital, and therefore of their social position and group membership.

This study shows that social position matters in pricing because it informs choice of pricing discourse and choice of price. Discourses of money and price should therefore be considered to be political – they show your social group and place in the

hierarchy. The data suggests that political and social concerns may be equally or more important than economic logic when pricing. Whereas prior price research has assumed that 'getting it right' means economic maximisation, this study shows that getting it right means that the pricer is understood to have used the 'correct' pricing discourse for their object, and has not signalled a paucity of the correct cultural capital.

That is, even in pricing, getting it right and getting it wrong appear to be related to social milieu (contact with legitimate legitimators) and cultural capital built up over years and generations (Bourdieu 1984). Despite the broadening of access to a variety of discourses and their interpretations through the mass media and widened access to education and the arts, cultural capital (built up over generations) and economic capital remain intertwined. Learning depends on social milieu and prior interpretive repertoires, as well as access to explicit learning situations.

Within the research data the rich get richer, because they know the 'right' way to talk about art and money, so can sell their work for high prices, and the poor (or less affluent) get poorer, because they do not have the economic or cultural capital required to construct their work as 'art', or they choose to construct it as art through adopting an 'incommensurable' discourse – a discourse which signals membership of the intelligentsia and therefore implies social kudos, but which precludes economic gain. That is, as Benjamin (1999 (1936), p.234) suggested, the elite have given the masses the chance to express themselves, whilst preserving property inequalities. Pricing discourses can therefore be seen to be both a reflection and a source of social position and power, and pricing etiquette can be seen as a means of perpetuating inequalities.

However, although social structure shapes interpretations of appropriate discourses of money, object and pricing, social structure is also shaped by those discourses. This research suggests that discourses of price are a source and mode of power, and construals of what discourses and categorisations represent may usefully be examined and contested by pricers and marketers, rather than taken as nature. The

findings of this research will hopefully provoke marketers and pricers into considering their own assumptions regarding ‘how it is done’, and to examine the social underpinnings of their own interpretations of the meanings of money, object, and commensuration when performing the core market activity of pricing.

## **10.5 Summary**

In the Introduction I asked the questions Do money categorisations affect pricing practice? How and why do pricers make distinctions between monies? What insights are gained by using this approach to examining pricing practice? These questions were triggered by a combination of the conspicuous and curious absence of pricing discourses in the conversations of the art trail artists, and reading Zelizer’s discussion of the social meaning of money, particularly her example of the money categorisation practices of a group of prostitutes in which they earmarked money from the state as being for bills, whereas the money earned from prostitution was earmarked for clothes and having fun. This clearly illustrated Zelizer’s point that money has meanings, and that source and earmarking are connected. However, what I wanted to know was unanswered.

I had wondered whether the prostitutes’ money differentiations were an example of ‘how it is done’ amongst that group, and therefore whether that money discourse performed a social purpose. I had also wondered whether their discourses reflected actual practice, and, importantly, whether the money differentiations affected pricing choice – that is, if the money from prostitution is categorised as ‘fun money’ are the prices different from the prices of those who categorise that money as ‘bill money’? This research is a step towards answering those questions.



Rather than an exploration of prostitutes' discourses of price, artists and their milieu proved a more accessible group of research participants, and offered an opportunity to collect data from pricing participants with a range of socio-economic backgrounds and a range of interpretive repertoires. The participants were pricing in a field with a widely-known ideal model – the Romantic myth – but no organisational protocol. The research findings show pricing to be more complex and socially-informed than previously published price research has indicated.

Building on prior research by Zelizer (1994) and Consumer Culture Theory, in which objects are understood as being endowed with social meaning, this research suggests that pricing is not simply a comparison of neutral object with neutral money with the aim of economic maximisation, but that instead it involves a comparison of a particular (but variable) category of object with a particular (but variable) category of money, and a consideration of whether and how those two should be compared. The research data suggest that the social origin of categorisation mechanisms (Bourdieu 1984) plays a key role in the social regulation of discourses of price.

Whereas there has already been substantial work on the importance of social structure in object categorisations (Bourdieu 1984; Douglas and Isherwood 1996), there has been very little which examines modern money as a cultural object in this way (Baker and Jimerson 1992; Zelizer 2007). This research contributes to the growing body of sociological money work. It does so by showing that even when performing pricing, which is generally considered to be an economic rational action, money is not neutral and fungible. Importantly, within the data discourses of price and pricing can be seen to be crucially affected by ideas of appropriate categorisations of money within that context. This study shows that how pricers categorise money from particular sources (the priced objects and their buyers), and how they interpret that categorisation, depends on social group and context. That is, the categorisations and discourses around pricing are used to create and maintain social groups. As has been found in the consumption research, it is not enough to

have ‘know that’, one also has to have ‘know how’ if one is to ‘correctly’ use differing position-taking strategies in differing contexts.

As suggested by cultural consumer research (e.g. Arnould and Thompson 2005; Arnould and Thompson 2005; Luedicke 2006), market practice choices – and we should now include pricing – are learnt and often emulative/aspirational, and are chosen through exposure to a variety of options and interpretations. Rather than treating social structure as necessarily ontologically superior to discourse and object categorisation, within the study the two may be seen to be co-created in a dialogical relationship. The findings suggest that the existing structure of property ownership is at least in part maintained by restricting the earning potential of those at the bottom of the hierarchy through the use of socially-constructed understandings of the ‘right’ and ‘wrong’ way to do pricing in differing contexts.

As well as showing that Bourdieu’s research regarding the social stratification of consumption practices can be extended to pricing practices, this research also draws attention to the social stratification of money-discourses and money-practices which underpins, but is generally invisible in, the consumption literature. It is important to note that the discourses of participants may not reflect actual money practices. For example money spoken of as earmarked as ‘art money’ (sacred) may in fact be spent on paying the electricity bill (profane). What matters is that the discourses were chosen by the participant as ‘the right thing to say’. That is, the discourses are seen to *do* something.

Following the literature relating to Bourdieu and social practices, the findings of this study suggest that pricing discourses and categorisations matter because they are understood by the participants as being socially important because they are a means of creating distinction, a distance between higher-status ‘us’ and lower-status ‘them’. For example, participants were construed as socially different and excluded from friendship groups and opportunities to sell because their discourses of price (and money categorisations within this) were deemed to be ‘wrong’: “*she* paints to sell” “She’s not like us”, and “I don’t want to name names, but you may know who I

mean”. There is social as well as economic pressure to approach pricing in a particular (but varied) way, and this is underpinned by specific interpretations of categorisations of money by source and associated rituals of money category change.

In the art trails the dominant pressure amongst participants was to be seen to *not* be driven by commercial aims, and this meant that conversations regarding pricing and earning money were notable by their absence. However, whilst the Romantic myth of the tainting effect of money is dominant within the artworld, not all participants knew it or felt it was appropriate, and so ‘appropriate pricing’ was interpreted in a variety of ways. Whereas Velthuis’ (2005) research involving gallery owners in New York and Amsterdam suggests that there is one ‘right’ way of (not) talking about art prices, within my data (which involved a greater range of participants) participants used varying pricing discourse depending on actual, perceived, and desired group membership and interpretation of the discourse context, and their interpretation of their art object. Interpretations within the research context were subject to flux and challenge between the groups, as in the example of the heated discussion regarding the ‘inappropriate’ use of a VISA machine.

By looking closely at money categorisations within a range of pricing discourses collected through deep immersion in an specific art context for three years, it has been possible to show that despite that dominant economic theory in which money is neutral and fungible, and the alternative context-specific Romantic discourse in which money is tainted and tainting, participants used a variety of ways of categorising money by source, earmarking, holder and form. The participants’ choice of pricing discourse was informed by their categorisation of the object being priced and how categorisations should be interpreted, but also, importantly, informed by their interpretations of money category and rituals of category change. The interpretation of object and money and the social significance of particular discourse choices played an important part in enabling and restricting pricing practice. That is, for pricers, money categorisation and interpretation, as well as object categorisation,

are socially-informed, socially important context-specific practices, and they affect pricing choice.

By focussing on substantive aspects of pricing this research adds to existing price and money knowledge by suggesting that pricing should be considered as a meaningful interpersonal socially embedded practice involving variable (sometimes competing) and important understandings of money categorisations and their corollary appropriate/inappropriate discourses, rather than as an abstracted economic-maximisation exercise.

As MacKenzie (2006) so vividly illustrated, theory may shape as well as describe economic activities. This is a PhD thesis, not a significant tract, yet the activity of researching, discussing and disseminating is, albeit within a small sphere, not neutral. The research is therefore a critical examination of discourses of price, money and pricing. It aims to promote reflexion and examination of pricing and money 'truths', their uses and why they are maintained, rather than to merely describe and promulgate extant powerful discourses.

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## **APPENDIX**

### **1. Art and the Market: A brief introduction and discussion**

This research has a very specific geo-temporal context, but it is important to recognise that how art and artists have been seen has changed over time, and varies geographically. As Abbing points out, ‘some social groups have a larger say in the establishment of the definition of art than others have’, and over time ideas of what constitutes art varies (Benjamin 1999 (1936); Abbing 2002). Here I give a very brief introduction to the Western art market based on a series of MA lecture notes and critical reflection during the research period.

When art work was made to meet the requirements of the Church or aristocracy (the only people with sources of sufficient excess money to buy art), it was specified by size, materials to be used, and other objective measures – e.g. one Madonna in lapis lazuli robes with three flowers and two birds. Art was commissioned as a commodity, and the artist was seen as a craftsman.

Then, in Holland, due to the overthrow of church and aristocracy, the mercantile class became the main buyers, which meant that pictures were smaller, to suit domestic settings rather than churches or grand palaces, and the number of potential buyers increased. So, along with the flower market and the fish market there were picture markets, where artists had stalls, and where they specialised in (for example) landscapes, animals, or still life. At this stage art was very much a commodity, and prices went up and down with demand.

Over many years, in a process which had begun in the Renaissance, the way the artist was seen began to change. Instead of the client giving instructions regarding content and form, the artist would be asked for ‘something about’ a particular subject matter. This was in recognition of the idea of ‘artistic genius’, which has become one of the central ideologies informing the separation of art and commerce, ‘artist’ and ‘craftsman’.

Although the lecturer constructed the separation of art and commerce as being in the control of the ‘artist’ or ‘craftsman’, I suggest that to some extent (and possibly to a large extent) the power to construct what types of work (and therefore which artists) has status was largely in the hands of the patron. That is, it would have been a patron’s decision whether to give explicit instructions, thereby constructing the supplier as ‘craftsman’ and of lower status, or to give more freedom, thereby constructing the supplier as ‘artist’, and as higher status than a craftsman. Although the buyer (that is, the holder of economic capital) would probably have a substantial degree of power, the artist or supplier may also have decided to construct themselves as more artist than craftsman. That is, there would co-construction of the change of meaning of the term ‘artist’, and collusion in the interpretation of the title.

Within the research context the rules of separation between artist and craftsman were far from clear. As was pointed out to me, in terms of the relationship between buyer and producer and degree of instruction there may be very little difference between work by those who are seen as ‘Old Masters’ such as Titian’s painting ‘Diana and Actaeon’, a contemporary iron-worker’s development of a design for a church grille or door, and a modern illustrator’s work for a publisher. In each case the work was commissioned with a brief and a budget and a timescale – which would all, now as then, vary depending on the maker’s reputation. Yet despite the similarities Titian is widely cited as an artist genius, and modern illustrators, even those with as high a profile as Quentin Blake, are currently seen as lower-status craftsmen rather than artists, and the names of iron-workers are only known by the cognoscenti.

The hierarchical continuum from artist (pinnacle) to craftsman (lower status) seems largely constructed by those in power (i.e. holding comfortable positions within the artworld hierarchy) who wish to maintain the hegemony which sustains their role, rather than risk considered argument. The current hierarchical differentiation between art and craft is a widely accepted and supported norm reinforced through the education system, but it is not the only possible interpretation.

In art schools in many other European countries craft, as in skill with materials, is valued much more highly than it currently is in the UK. For example, based on conversations with many overseas students and UK students who have taken a year out to study abroad, an art degree in Spain, France, or Poland would include the development of technique through many sessions of observational drawing, painting, sculpture etc, depending on discipline followed, whereas a student on a UK Fine Art degree course would be taught little or no technique, but encouraged to look at philosophical approaches to the definition of ‘art’, and to be able to talk about their work within the context of specific art-philosophy precedent – what one participant described as the need to display “conceptual rigour” . In so doing the students are learning a specific positioning practice, which they are told is required by “top end galleries”, and they are encouraged to reproduce and so sustain the status of the discourses of those who have already been successful, rather than challenging the success criteria or the precedent.

When examining the development of the view of artist as genius rather than artist as craftsman, it is difficult to untangle the different strands of how artists were seen, as it varied by source, geographical region, time, and depended on the local culture as well as the skill and reputation of particular artists. However, as mentioned before, ideas of what is ‘good’ art and the construction of individual reputations are interlinked constructs rather than separate – the artist only has a reputation because sufficiently high-status sections of society agree to elevate him. Reputations and ‘what is art’ are fragile, although at any one time they may be treated as rigid.

The picture known as 'Flaming June', which was painted in 1895 by the then President of the Royal Academy of Art, and treated at the time as a high status example of Fine Art, is now, a hundred years later, roundly ridiculed by many, particularly amongst the intelligentsia within the research context as an example of bourgeois 'easy-art'. In this critical discourse regarding 'Flaming June' and what are seen as its peers (work by the Pre-Raphaelites), the research participants placed emphasis on the buyers of the art, who were constructed as the less educated and newly-wealthy industrialists in the North of England and Midlands (the wrong sort of buyer, the wrong sort of money), whereas the provenance - that it was painted by the President of the RA - was not mentioned within the data. I suggest that the current practice of demotion and ridicule of Pre-Raphaelite work such as 'Flaming June' continues because it is useful, because it does something: it is a source of distinction, and separates and elevates the users of this discourse from those who, like the industrialists, are less educated about 'what is art'. As the rules of 'what is art' is learnt and becomes mainstream, it is important that the criteria should evolve, keeping the elite at least one step ahead of the bourgeoisie and the plebeians.

The intelligentsia discourse is an alternative if related view of the dominant traditional hierarchy of art, and appears to be rooted in the early twentieth century philosophies and work by artists such as Duchamp. It appears to offer an alternative to the established social order, but it works within it, both because it needs already-powerful champions in order to be successful, and because it constructs itself as not being like the social layers above or below it. For example, whilst visiting a retrospective exhibition of representative paintings and drawings in a high-status gallery I heard the loud plummy voice of someone connected with the exhibition, as he explained/complained to a visitor that "He (the painter)'s not taken seriously,... because the *Queen* likes him. Anywhere else they'd .... ( take him seriously)."

That is, the speaker suggests that the UK artworld cognoscenti have decided that the Queen's taste is different from and of lower status than that of the artworld cognoscenti.



Within the research data the term 'easy art' tends to be associated with other people's work, and connected with high sales. I suggest that this is so because using market success as a source of status is a dangerous interpretation for the intelligentsia elite, as success in the market may be interpreted as being due to the ill-educated choices of the 'wrong sort of buyer' with the wrong sort of money': consider the nearly universal negative response by art critics to the artist John Vettriano's work, which has achieved enormous commercial success through sales of originals and reproductions of what is termed his 'populist art'. That is, allowing commercial success to become the dominant signal of artistic success would erode the cultural power of the intelligentsia elite, and is therefore an interpretation to be fought against.

In a critique of 'populist art' within the data, lecturer TS pointed out that Saatchi is an example of a contemporary patron, but his 'Sensation' artists (and his more recent protégées) all make "advertising art". In this she was alluding to the source of Saatchi's wealth (advertising) and implying that he has lower status artworld cultural capital. To paraphrase the lecturer, this art has one point, it is too easy, too unsatisfying for someone with her cultural capital. After seeing a recent Saatchi exhibition she went to Tate Modern to "wash her mouth out" (the implication was to remove a nasty taste) with something more intellectually challenging, with some good art. Maybe, she said as a side-comment, maybe she, "like Adorno, feel(s) that art to be good should be difficult."

The lecturer then pointed out that Hirst's work, especially his 'spot' pictures made "by teams of people", are bought by "those people who have just lost lots of money" (said in a smug tone of *schadenfreude*) those "morally corrupt bankers", who have no taste but who recognise the symbolic power of a Hirst picture – it is instantly recognisable as a Hirst, and therefore as having cost a lot of money.

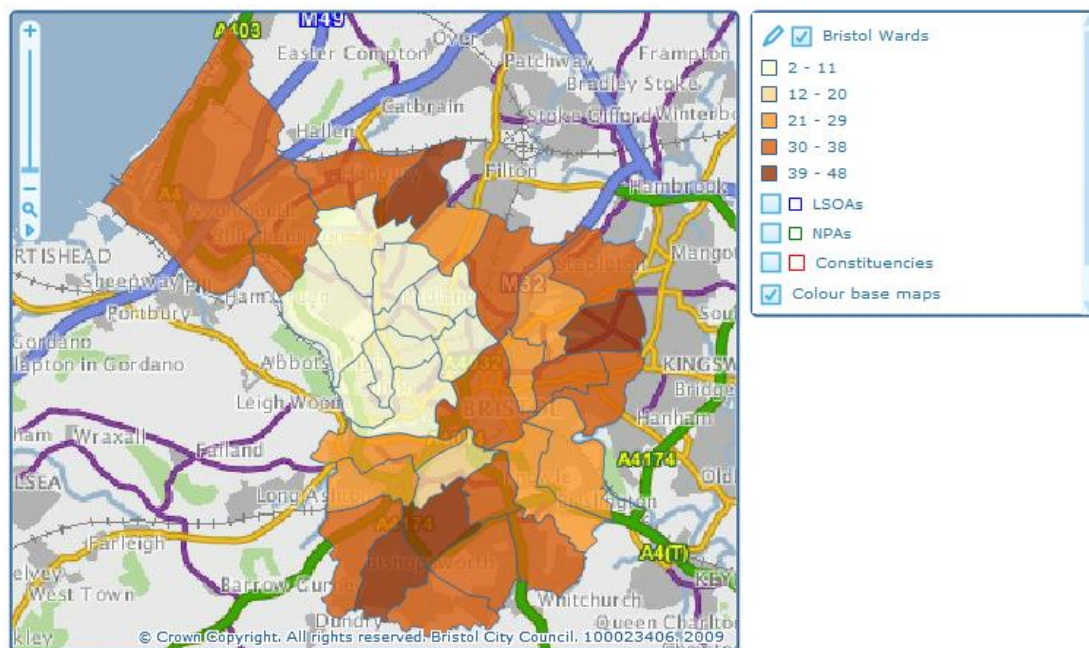
This idea that art must be difficult to be any good, which the lecturer implied comes from Adorno (cf music by Schopenhauer, who embraced this idea fully) is an

artworld myth which is used (in both its adoption and rejection) as a source of distinction between social fractions in a way which chimes with Bourdieu's analysis of distinction (Bourdieu 1984). As used by lecturer TS, approving use of the 'difficult is good' myth links high status group membership (the intelligentsia) with a shunning of commerce. Her 'money source matters' comments are similarly associated with high status.

The constructed nature of the view that art 'should' be beyond the market, and that to think so implies higher status, is important when considering discourses of price within the research context, because discourses of price are a potent site for the maintenance of or challenge to that view.

## 2. Context data

The map below is an example of the type of socio-economic data available for the research context city. This map shows the percentage of census respondents with no educational or technical qualifications, aggregated by neighbourhood. Within any one area there will be a mixture of people and wealth, but data such as this gives a clear idea of the aggregate differences and similarities between areas. My perception of relative wealth and education levels of the different art trail within my data is supported by census data (such as in this map), my knowledge of relative house prices, and years of conversations with a wide range of people living in different parts of the city.



**Figure 7: Context data from census: Quality of Life, Education; Percent respondents with no educational or technical qualifications 2010.**

Source:

<http://ias.bristol.gov.uk/dataviews/report/fullpage?viewId=207&reportId=486>

Accessed 09/03/2012

### 3. Example of money meanings in everyday use: source and earmarking

This example of money-meanings was sampled from the internet, and was chosen to demonstrate the way money is understood differently by different people, and how particular categorisations are seen as more or less appropriate. Here the source, form and earmarking are seen to matter to the blog writer and others involved, and the source, form and earmarking can be seen to be linked. The act of finding money is treated by the author as a “magic moment”, and the money is treated as special.

#### [It Makes My Day When.....](#)

A blog dedicated to the smaller pleasures in life that make you smile, squeal with delight, pump your fist in the air or simply marvel at your own good fortune. Your day just got better.....

Sunday, June 5, 2011

#### **#38: You find money on the ground**

#38: It makes my day when.....You find money on the ground.

Another day past by and another moment of good fortune has come my way....wow I am really started to think that writing this blog is good karma.

So yesterday was another “No Post” Sunday and I happened to be down in the South West of Perth enjoying a weekend away with my fave friends. On Saturday we may have indulged, okay over indulged in what I believe is this region’s best

export – WINE! Feeling a bit sore, shaky and under the weather, a few of us girls thought a bit of a stroll and some sunshine would help with our recovery. So we yanked ourselves off the couch, out of our pj's and set off at a very relaxed pace.

Then 10mins into the walk, I perhaps overexcitedly let out a yell of excitement, bent down and grabbed my treasure.....a \$2 coin. Now perhaps my excitement may not have been what others may have expected in this situation with both Janelle & Rach jumping back in shock at my squeals of delight. They almost seemed to be let down by the fact that it was only \$2.....perhaps believing that my excitement was more appropriate to a \$50 note!

However this led to reminiscing about the excitement involved when I was with Janelle the day she did find a \$50 note on the ground (Although to be totally honest, her excitement levels were more akin to what I would expect from finding 50c not \$50). We were on our way to watch the Eagles play at Subiaco oval, I had free tickets so I invited Janelle & her husband to be Chris along. On the long walk from the car to the ground, Janelle managed to pick out a \$50 note hidden amongst the fallen leaves.....What a find it was! With no-one around looking to claim it we had no other choice but to take it before someone else did. So excited and always gracious, Janelle decided that she would use the money to buy us all Chicken Treat at the game. And do you think we have ever enjoyed a Chicken Roll as much as we did that day????

Anyhow the morale of the story is.....finding money = awesome!

Keep your eyes peeled on the ground as your next magic moment could be just around the corner.

Happy hunting!

Becstar x

Source: <http://makesmydaywhen.blogspot.com/2011/06/38-you-find-money-on-ground.html> (accessed 29<sup>th</sup> Feb 2012)

Note the variation in reaction to finding the money (Janelle seems to be notably sanguine about money-finds compared to blogger Becstar), the happiness \$2 gave Becstar (“finding money=awesome”), and the way in which her friend Janelle’s earlier find of \$50 had been earmarked as ‘treat’ money to be shared by everyone.

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